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IMPACT ASSESSMENT OF THE MALAKAND SME RECOVERY ASSISTANCE PROGRAM



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Data Page

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Abstract:

Following the war on terror in Swat, the U.S. Agency for International Development (USAID) and Government of Khyber Pakhtunkhwa started rehabilitation of affected small and medium sized businesses to revitalize the local economy through the USAID Firms Project. The project conducted a census of hotels in April 2010, which reported capital losses of PKR 86 million (USD 1 million) and a 3-year revenue losses of PKR 2.29 billion (USD 27 million). Another major setback occurred in late July 2010 when the heavy monsoon rains caused unprecedented flooding which washed away the roads, bridges and 24 hotels, while partially damaging other businesses and infrastructure.

In collaboration with the Provincial Relief, Rehabilitation and Settlement Authority (PaRRSA) of the Government of Khyber Pakhtunkhwa, the grants program of the USAID Firms Project provided direct support in the form of cash grants, technical assistance and in-kind procurement to the war and flood affected 239 hotels and 22 trout fish farms in Swat. The project provided an assistance of total USD 5.25 million for the construction material, operating equipment, production inputs, grant funds and technical assistance to help the businesses recover.

An impact assessment was conducted with to assess if project assistance has met its intended objective. The reports present the findings of this impact assessment in two categories. Firstly, report analyzes and document change in production, sales revenue, and employment of project assisted hotels and fish farms as a result of the grants program. Secondly, the assessment report document the extent to which the grantee hotels and fish farms have been able to sustain their businesses without additional support from the Firms project or any other source since the conclusion of the grants program.

Acronyms

CI	Confidence Interval
CL	Confidence Level
Deff	Design Effect
FTE	Full Time Equivalent
KP	Khyber Pakhtunkhwa
PaRRSA	Provincial Relief, Rehabilitation and Settlement Authority
PKR	Pakistan Rupee
REDA	Research Education and Integrated Development Agency
SABAWON	Social Action Bureau for Assistance and Organizational Networking
SME	Small and Medium Enterprise
SoW	Scope of Work
SPSS	Statistical Package for Social Sciences
USAID	United States Agency for International Development
USD	United States Dollar

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Exchange Rate

1 USD = 90.6427 PKR

EXECUTIVE SUMMARY

Introduction and Background: After the government of Pakistan restored security in Swat, the U.S. Agency for International Development (USAID) and the Government of Khyber Pakhtunkhwa (KP) started rehabilitation of the affected small and medium businesses to revitalize the local economy through the USAID Firms Project. The Swat tourism industry contributed an estimated USD 60 million per year to Swat's economy prior to the conflict in the region. The tourism industry suffered losses in excess of USD 28 million as a result of the conflict and military interventions (2006–2009) and further losses of USD 2.1 million due to the July 2010 floods. The fisheries sector in Swat was also adversely affected during this period as production fell from an estimated 60 metric tons per year to negligible amounts¹. The hotels and fisheries sectors have the highest potential to lead the recovery of Swat's economy.

The fisheries sector in Swat was also badly affected by the occupation of militants as fish stock and operational assets were stolen and the infrastructure was severely damaged, the production fell dramatically. Monsoon floods in July 2010 added to the challenges faced by the region and post-flood revenue losses to Swat's hotel industry are estimated at USD 2.18 million, while post-flood financial losses for the fisheries sector amount to approximately USD 300,000. The hotel industry and fisheries sector are two high-potential sectors that will lead the recovery of Swat's economy. In collaboration with the Provincial Relief, Rehabilitation and Settlement Authority (PaRRSA) of the Government of Khyber Pakhtunkhwa, USAID Firms Project Malakand Small and Medium Enterprises (SME) Recovery Assistance Program (also referred to as the Grants Program) provided direct support in the form of cash grants, technical assistance and in-kind procurement to the conflict and flood-affected hotels (239) and trout fish farms (22) in Swat. The Research Education and Integrated Development Agency (REDA)-Social Action Bureau for Assistance and Organizational Networking (SABAWON) Consortium was engaged as a third party to conduct an Impact Assessment of the Malakand SME Recovery Assistance Program in Swat.

Methodology: The consortium used a multi-stage cluster sampling for this survey that included interviewing representatives from 82 beneficiary hotels. The study targeted all fish farm grantees; however, only 18 provided information as the others did not complete the program. For convenience in data collection from 82 hotels, the target locations were divided into three clusters and the teams visited these locations cluster-wise. The study was administered by eight locally recruited enumerators with prior experience in conducting similar data collection exercises in District Swat. The team was supervised by a field manager.

Findings:

Hotel Survey Findings:

The return of peace and security in Swat Valley paved the way for USAID and the Government of Khyber Pakhtunkhwa to support the hotel industry in Swat. The Firms Project interventions to bolster tourism in Malakand resulted in an increase of USD 3,347,455 in the sales revenue of

¹ These are the estimated losses in capital and revenue due to the conflict and floods as reported in the Swat Tourism Census Report (FINCON, 2010), Swat Post Flood tourism Census Report (FINCON, 2011), and Trout Fish Demand Analysis (FINCON, 2012).

partner hotels (from USD 421,575 in 2010 to USD 3,769,030 in 2012)². This represents a 794 percent increase in the sales revenue when compared to the 2010 post-flood situation. The project interventions leveraged an investment of USD 1,916,302 by the partner hotels to expand their businesses.

The average Full Time Equivalent (FTE) employment per hotel has increased from 3 to 9.2, also indicating a major increase since the 2010 floods. The total Full Time Equivalent (FTE) employment after the 2010 floods was 293, which has gone up to an estimated 2,204 in 2012, after the rehabilitation of 239 hotels through the Grants Program. The average private investment per hotel generated due to the Grants Program was calculated at USD 8,018 and the total private investment estimated for 239 hotels rehabilitated by the program came to USD 1,916,302.

The information provided for these three key result areas demonstrate that the restoration of peace and security in the valley has encouraged and promoted tourism in Swat, leading to the success of the Grants Program, which has been highly effective and has had a substantial impact on the associated livelihoods in Swat. Hotels continue to do business, increasing sales and generating employment and private investment even after the Grants Program ended in 2011.

Table A: Comparison of Hotels Data with 2010 Baseline

Year	N	Sales Revenue (USD)		Private Investment Mobilized (USD)		FTE Employment	
		Total	Average	Total	Average	Total	Average
2010 Post Flood	97	421,575	4,346	-	-	293	3.02
2012	239	3,769,030	15,770	1,916,302	8,018	2,204	9.22
Increase from 2010 Post Flood		3,347,455	-	1,916,302	-	1,911	-
% Increase from 2010 Post Flood		794%	-	-	-	652%	-

In the year 2012, average sales revenue and total Full Time Equivalent (FTE) employment showed a notable increase as reflected in the figures below:

²These figures are recorded in Swat Tourism Census Report re: post flood situation in 2010 where 146 hotels are reported non-operational. The 2012 figure is calculated on the basis of the estimation for 239 hotels that is calculated on the basis of actual information of 88 as per Impact assessment December 2012.

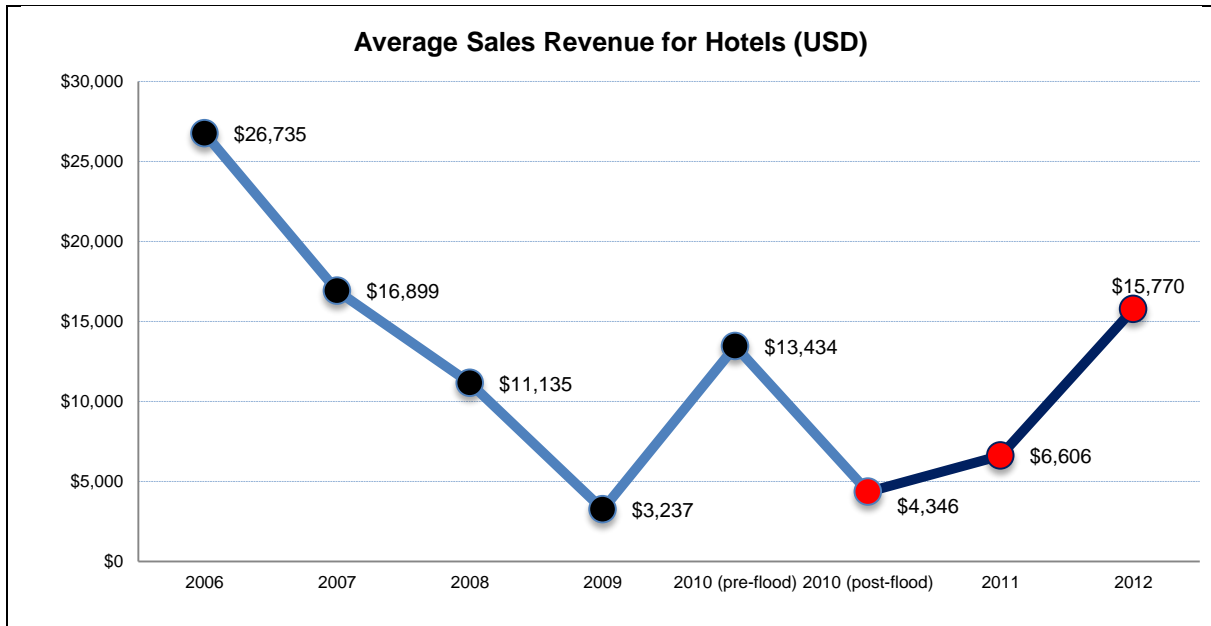


Figure A: Comparison of Average Sales Revenue of Hotels with Baseline

Owing to the assistance from Grants Program in Swat, the average sales revenue has risen from USD 4,346 after the floods in 2010 to USD 15,770 in 2012. Average Full Time equivalent (FTE) employment has also risen from 3 after the floods in 2010 to 9.2 in 2012.

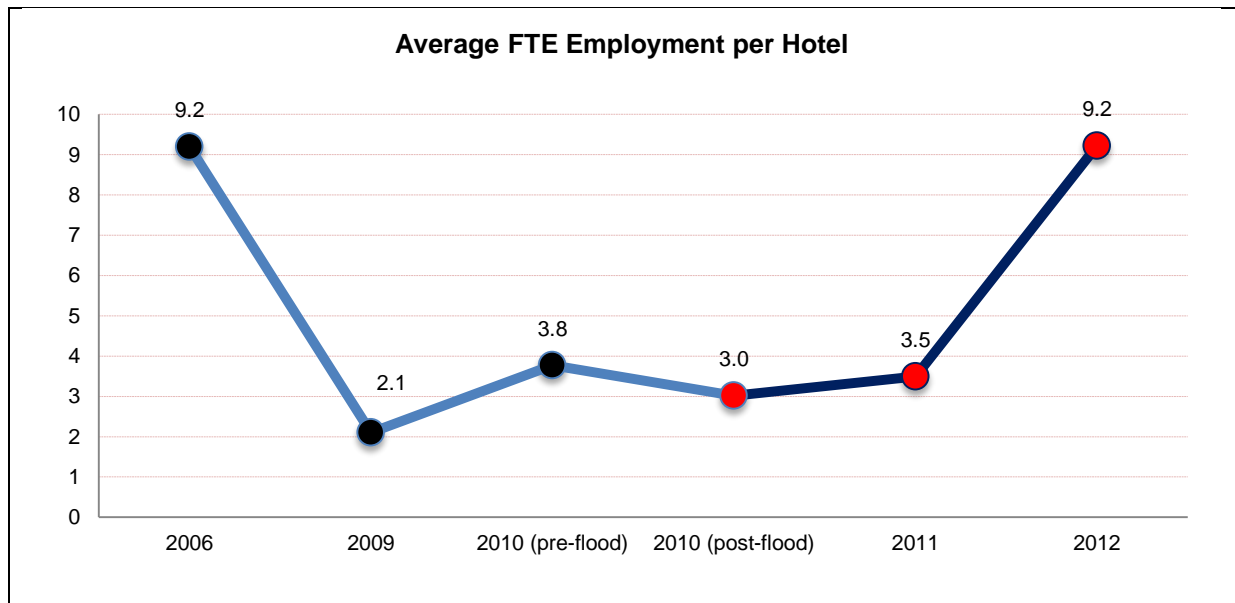


Figure B: Comparison of Average Employment of Hotels with Baseline

The baseline data for the hotels suggest that prior to the conflict in Swat in 2006, 208 hotels reported total sales revenue of USD 5,560,794, with an average of USD 26,735 per hotel, and had an average of 9.2 full time employees per hotel.

Table B: Comparison of Hotels Sales Revenue

Year	Number of Hotels	Total Sales Revenue (USD)	Average Sales Revenue (USD)
2006	208	5,560,794	26,735
2007	66	1,115,322	16,899
2008	29	322,902	11,135
2009	31	100,348	3,237
2010 (pre-flood)	200	2,686,858	13,434
2010 (post-flood)	97	421,575	4,346
2011	149	984,323	6,606
2012	239	3,769,030	15,770

In the wake of normalcy being brought to Swat Valley, the Grants Program has been successful in initiating the recovery of the tourism industry in Swat to the pre-conflict level, triggering sales, private investment and Full Time Equivalent (FTE). The average sales revenue has reached USD 15,770 in 2012 and average Full Time Equivalent (FTE) employment has already reached 9.2 in 2012.

Recommendations: Alternate energy sources should be identified and promoted as part of the assistance in order to reduce operational expenses, thereby increasing overall revenue; 2-Star Hotels have shown great potential through the business they did from January to November 2012, hence they should be targeted for further assistance in future; tourism in Swat could be further promoted through media campaigns, which will directly increase sales, employment and private investments.

Fish Farm Survey Findings: The return of peace and security in Swat Valley paved the way for USAID and the Government of Khyber Pakhtunkhwa to support fish farms in Swat. These interventions in the Swat fisheries sector resulted in an increase of USD 394,554 in the sales revenue of partner fish farms since the 2012 post-flood sales revenue (from USD 31,059 in 2010 to USD 408,819 in 2012)³. This represents a 1,216 percent increase in the sales revenue when compared to the 2010 post-flood situation. The project interventions leveraged an investment of USD 354,326 by the supported fish farms to expand their businesses. The average sales revenue per fish farm has increased from USD 1,726 to USD 40,882 indicating a significant rise since 2010 floods. The average Full Time equivalent (FTE) employment per fish farm has increased from 2 to 4.9, also indicating a major increase since the 2010 floods. The average private investment per fish farm triggered by the Grants Program is calculated at USD 20,843. The information provided on these three key result areas is indicative of the fact that the restoration of peace and security in Swat Valley has led to the success of Grants Program, which has been highly effective and has had a substantial impact on the associated livelihoods in Swat as the fish farms continue to do business, raising sales, generating employment and private investment even after the closure of the Grants Program in 2011.

³This is an incremental increase over the years. It is based on the actual sales revenue of 2011 and results of the Malakand SME Recovery Assistance Program impact assessment study conducted in November 2012. Fish farms reported total sales of USD 14,264 in 2011 (negative trend compared to the 2010 post-flood revenue of USD 31,059) and USD 408,819 in 2012. Negative change is counted as zero and the actual increase is calculated by subtracting the 2011 sales from those reported in 2012 (i.e. 2012 sales of USD 408,819 minus 2011 sales of USD 14,264 equals USD 394,554).

In an effort to support these fish farms in their recovery, the Firms Project's assistance has succeeded in reviving them to a great extent, raising the average sales to USD 40,882. If the value of available fish farm products in stock is also brought into consideration, the comparison may lead to a significant climb in the average sales.

Table C: Comparison of Fisheries Data with 2010 Baseline

Year	Sales Revenue			Private Investment Mobilized (USD)			FTE Employment		
	N	Total	Average	N	Total	Average	N	Total	Average
2010 Post-Flood	18	31,059	1,726		-	-	18	36	2.0
2012	10	408,819	40,882	17	354,326	20,843	16	79	4.9
Increase from 2010 Post-Flood		1,216%	-		-	-		119%	-

The table shown above indicates 1,216 percent rise in the total sales revenue since 2010 floods, as 18 fish farms were then generating only USD 31,059 and as per findings of the current study, just 10 fish farms have succeeded in generating USD 408,819. There is also a 119 percent rise in the total Full Time Equivalent (FTE) employment generated in 2012, as compared to that of the 18 fish farms assessed at the post-flood stage in 2010.

The rise in average sales revenue since 2010 floods is described below.

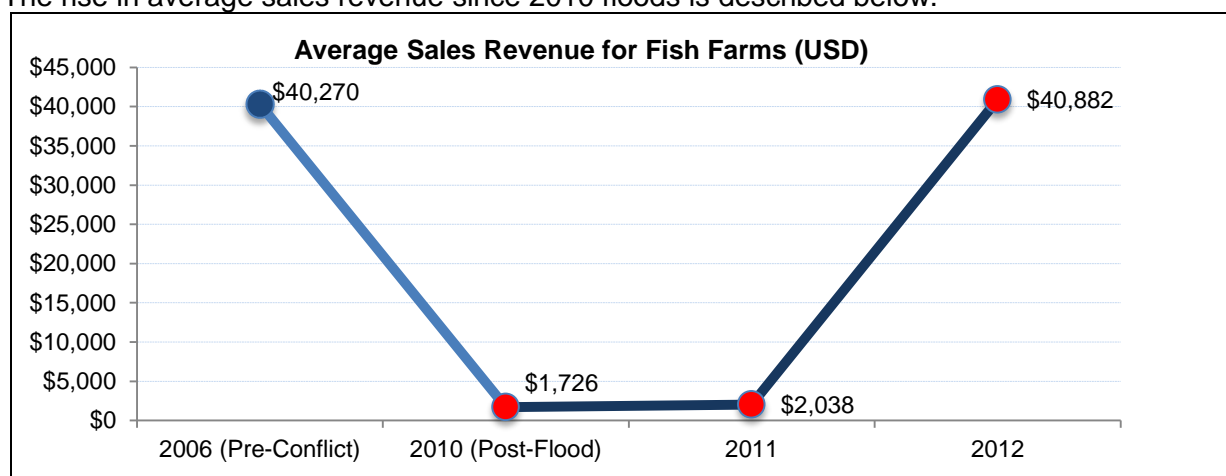


Figure C: Fish Farm Average Annual Revenue Compared with Baselines

Alongside sales, the Full Time Equivalent (FTE) has also risen significantly after the revival of fish farms in the valley, which has led to creation of more jobs. The average Full Time Equivalent (FTE) has risen from 2 since 2010 floods to 4.9 in 2012. This rise in average Full Time Equivalent (FTE) employment is shown below.

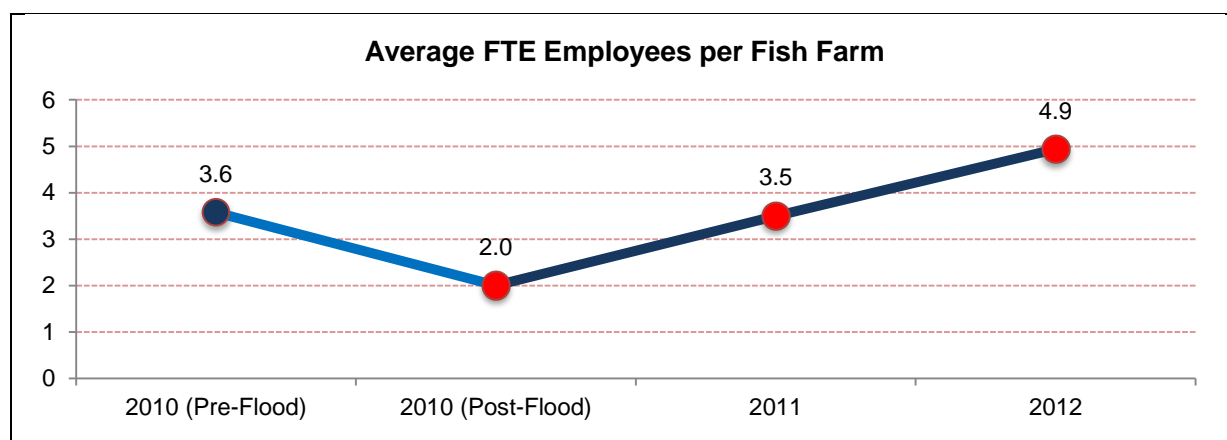


Figure D: Comparison of Average Employment of Hotels with Baseline

A comparison of fish farms data with the baseline of the pre-conflict stage indicates that the average sales for fish farms in Swat in 2012 (USD 40,882) has increased slightly compared to the pre-conflict stage (USD 40,270). The average Full Time Equivalent (FTE) per fish farm also has had an increase from 3.6 to 4.9.

Table D: Comparison of Sales Revenue

Year	Number of Fish Farms	Total Sales Revenue (USD)	Average Sales Revenue (USD)
2006 (Pre-Conflict)	5	201,350	40,270
2010 (Post-Flood)	18	31,059	1,726
2011	7	14,265	2,038
2012	10	408,819	40,882

Fisheries Census Report 2010 (FINCON), Post-Flood Assessment 2010 (Firms Project), Fisheries Economic Analysis (Firms Project) and current assignment.

Recommendations: The market linkages of trout fish farms need to be widened and improved in order to increase their sales revenue. Local marketing of trout, particularly in the winter, needs to be explored. Alternate energy sources should also be identified and promoted as part of the assistance in order to reduce operational expenses, thereby increasing overall revenue. Availability of fish feed remains a challenge as all fish farms do not have access to quality feed at affordable rates, hence linkages need to be developed with financial institutions. This also presents an opportunity to support small-scale feed production within the country to ensure affordable feed for the farms.

1. INTRODUCTION

1.1 The Context

Following the end of the insurgency in Swat, USAID and the Government of Khyber Pakhtunkhwa started rehabilitation of the affected small and medium businesses to revitalize the local economy through the USAID Firms Project. The project conducted a census of hotels in April 2010, which reported capital losses of PKR 86 million (USD 1 million) and three-year revenue losses of PKR 2.29 billion (USD 27 million). These losses were compounded in July 2010, when heavy monsoon rains caused unprecedented flooding that washed away roads, bridges and 24 hotels, while partially damaging other businesses and infrastructure.

The Swat tourism industry contributed an estimated USD 60 million per year to Swat's economy prior to the conflict in the region. The tourism industry suffered losses in excess of USD 28 million as a result of the conflict and military interventions (2006–2009), and further losses of USD 2.1 million due to the July 2010 floods.

The fisheries sector in Swat was also adversely affected during this period, as production fell from an estimated 60 metric tons per year to negligible amounts⁴. Monsoon floods in July 2010 added to the challenges faced by the region and post-flood revenue losses to Swat's hotel industry are estimated at USD 2.18 million, while post-flood financial losses for the fisheries sector amount to approximately USD 300,000 million. The hotel industry and fisheries sector are two high-potential sectors that will lead the recovery of Swat's economy.

In collaboration with the Provincial Relief, Rehabilitation and Settlement Authority (PaRRSA) of the Government of Khyber Pakhtunkhwa, USAID Firms Project Malakand SME Recovery Assistance Program provided direct support in the form of cash grants, technical assistance, and in-kind procurement to 239 hotels and 22 trout farms that had been affected by the conflict and flood. The project provided USD 5.25 million for the construction material, operating equipment, production inputs, grant funds and technical assistance to help the businesses recover.

The impact assessment of the hotels and trout farms in Swat was designed to measure and document the contribution of the Grants Program to the production, sales revenue and employment of the tourism and fisheries industry in Swat. The specifics of the assessment are outlined in the sections below and the overall methodology of the assessment was guided by the goals and relevant strategic objectives/intermediate results of the project as follows:

Goal: Improved conditions for broad-based economic growth.

Program Purpose: Dynamic internationally and domestically competitive firms with accelerated sales, investment and employment.

⁴These are the estimated losses in capital and revenue due to conflict and floods as reported in the Swat Tourism Census Report (FINCON 2010), Swat Post-Flood Tourism Census Report (FINCON, 2011) and Trout Fish Demand Analysis (FINCON, 2012).

Intermediate Result 1: Enhanced competitiveness in project-assisted firms in targeted value chains.

Indicators: Increase in sales revenue of project-assisted firms/farms.
Increase in employment for project-assisted firms/farms.
Value of private sector investment mobilized.

1.2 Purpose of the Impact Assessment

The purpose of this assessment was to study the results of the Grants Program with a specific focus on production (in case of fish farms only), as well as sales and employment generated by the targeted hotels and the fish farms as a result of the USAID assistance program.

1.3 Objectives

The overall objective of this assessment was to study the degree of the production, sales and employment of 239 hotels and 22 trout fish farms generated as a result of the Grants Program in District Swat. The specific objectives of the assessment were:

- I. Assess the change in production, sales revenue and employment of project-assisted hotels and fish farms as a result of the Grants Program;
- II. Assess the extent to which the grantee hotels and fish farms have been able to sustain their businesses without additional support from the USAID Firms Projector any other source since the conclusion of the Grants Program;
- III. Assess the extent to which the grantee hotels and fish farms are satisfied with the USAID Firms Project Grants Program in Swat.

1.4 Scope of the Impact Assessment

The impact assessment in Swat covered a sample of 82 hotels out of the 239 beneficiary hotels and all of the 22 assisted trout fish farms to collect and analyze the data regarding sales, production, and employment for the period of January 2012 to November 2012. The REDA–SABAWON consortium team visited the grantee hotels and fish farms in the three clusters mentioned below. The scope of work (SoW) for the study is described in detail in [Annex 1](#).

2. METHODOLOGY

2.1 Sample size calculation

According to the Scope of Work (SoW), a multi-stage cluster sampling was proposed for this survey. The Grants Program benefited a total of 239 hotels across different areas of Swat. The total sample target was 66, which was designed to detect change at 25 percentage points with 95 Confidence Level (CL) and 90 Confidence Interval (CI) and 1.3 Design Effect (*Deff*) and a contingency of 5 percent. The detailed formula used for sample size calculation is available in the Scope of Work (SoW) attached as [Annex 1](#). Table 1 below presents the sample target and sample achieved for the hotels' survey.

Table 1: Class-wise Distribution of Grantee Hotels and Sample Target for Hotel Survey

S.No.	Locations	Tourist Class	1-Star	2-Star	3-Star	Total
1	Bahrain	4	12	7	3	26
2	Fizaghat	1	11	6	2	20
3	Madyan	8	5	2	0	15
4	MalamJabba	7	8	1	1	17
5	Miandam	1	4	1	2	8
6	Mingora	14	23	9	5	51
7	Kalam	21	42	24	15	102
Total		56	105	50	28	239
Proportion of hotels for each class		23%	44%	21%	12%	100%
Proportional distribution of sample target						
		15	29	15	8	66
Sample Achieved						
S.No.	Locations	Tourist Class	1-Star	2-Star	3-Star	Total
1	Bahrain	1	3	3	1	8
2	Fizaghat	0	3	2	1	6
3	Madyan	4	2	1	0	7
4	MalamJabba	2	3	1	0	6
5	Miandam	0	2	0	2	4
6	Mingora	5	7	3	2	17
7	Kalam	6	14	10	4	34
Total		18	34	20	10	82

For convenience, the study team further divided the sample into three clusters based on their geographical proximity. After discussion and agreement with Firms Project team, the study team decided to cover additional hotels to strengthen the quality of the data collected and visited 82 hotels. Table 2 below gives a cluster specific overview of hotels covered during the study.

Table 2: Class-wise Distribution of Grantee Hotels and Sample Target for Hotel Survey

Cluster	Locations	Tourist Class	1-Star	2-Star	3-Star	Total Covered
1	Mingora and Fizaghat	5	10	5	3	23
2	Madyan, Miandam, Bahrain & MalamJabba	7	10	5	3	25
3	Kalam	6	14	10	4	34
Total		18	34	20	10	82

The study targeted all the fish farms that received grants from the project. Out of 22 fish farm owners, only 18 respondents provided information as the others did not complete the program.

Table 3: Distribution of Fish Farms

S.No.	Locations	Number
1	Madyan	11
2	Bahrain	1
3	Matta	2
4	Miandam	1
5	MalamJabba	1
6	Kalam	6
Total		22

2.2 Survey Instruments, Assessment Team and Data Collection

The USAID Firms Project team developed pre-coded questionnaires for hotels and fish farms, which were revised and translated into Urdu after the training of data collection teams and pre-testing in the field. The Hotel Questionnaire is attached as [Annex 2](#), and the Fish Farms Questionnaire is attached as [Annex 3](#). The study was administered by eight locally recruited enumerators who had prior experience of conducting similar data collection exercises in District Swat and were supervised by a field manager. Please refer to [Annex 4](#) for the structure of the field team.

A two-day training of the data collection team was organized in Swat, from November 7th–8th, 2012. The USAID Firms Project Team also participated in the training and provided valuable inputs in establishing clarity within the data collection team in regard to: the Grants Program in Swat and its objectives; objectives of the impact assessment; assessment methodology; selection of the respondents/hotels; data collection instruments; coding; photography video recording and recording case studies.

The field work started on November 10, 2012 and the field data collection was completed by November 16, 2012. The study team decided to commence the study in Kalam, keeping in mind the approaching winter season and associated challenges therein.

2.3 Data Entry and Analysis

The REDA–SABAWON Consortium used the Statistical Package for Social Sciences for data entry and analysis, which was finalized, based on the feedback from the USAID Firms Project team, prior to the commencement of field work. After verification and editing of data in the field, data entry was initiated. The data entry process was led by the data analyst—a qualified statistician—and his team, who were regularly supported by the field manager, resulting in data cleaning being conducted alongside the data entry process. Upon completion of the data entry, the data analyst started the analysis as per the approved plan. The raw data and its analysis were shared with the Firms Project at the debriefing stage. Their feedback was instrumental in refining the analysis of key variables.

2.4 Quality Control

The team was supervised on a daily basis by the field manager. The field manager contacted all the grantees and confirmed their availability for the interview a day before the visit. He then allocated grantee respondents to each team for the day. The field manager also facilitated the team in handling situations where the respondents were absent or not available. All contact details of the grant recipients were available with him, and when needed, he replaced the absent respondents/hotel owners with others from the same category. During the day, the field manager also carried out random spot checks and ensured that the teams were both administering the questionnaire and recording the responses correctly. At the end of each day, each filled questionnaire was reviewed by the field manager and the field team. This allowed the field manager to verify all the questionnaires and check the responses for any errors and ensured accuracy. This greatly reduced the confusions and errors, paving the way for smooth data entry into the statistical software.

3. FINDINGS

This section is structured in such a way that the findings, analysis, conclusion and recommendations of both hotels' and fish farms' data are presented separately. The first part deals with hotels and the second part addresses fish farms.

3.1 Hotels

3.1.1 Classification, Ownership of Hotels and Record Keeping

The sample suggests that 34 (42 percent) of the hotels represented 1-Star category, whereas 10 (12 percent) represented the 3-Star category, as reflected in Figure 1. Economic analysis provided in the later section of this report further builds on this categorization.

The estimated population of hotels for sample calculation was 239. The sample size achieved was 82 hotels. Out of 82 hotels, 59(72 percent) were operated by the owners and 23 (28 percent) were on lease.

The data analysis suggests that 79(96 percent) out of the 82 hotel grantees maintain hotel records. Out of those who maintain records, 60 (76 percent) maintain financial records, 78 (99 percent) maintain room occupancy records and 59(75 percent) maintain employees' records. It was also shared that the local authorities, in particular the law enforcing agencies, required hotels to provide room occupancy records.

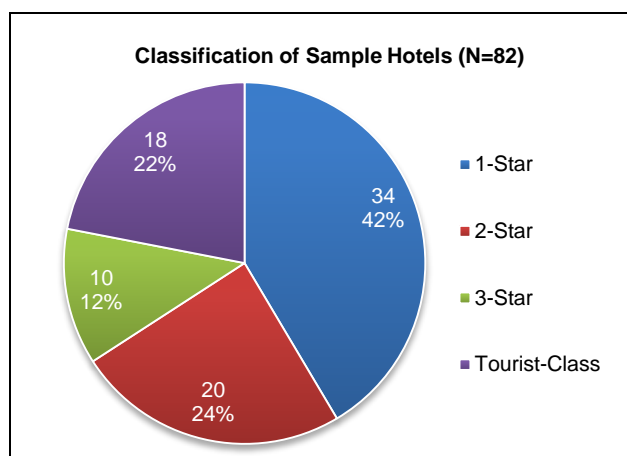


Figure 1: Classification of Sample Hotels

3.1.2 Additional Investment Out of Grantees' Own Pockets

One of the objectives of this study was to measure the amount of money that hotel grantees have invested from their own pockets, in addition to the USAID assistance, to expand their existing business or start an allied business since the floods of 2010. Out of 82 hotels, 77 (94 percent) hotel grantees reported cumulative investment of USD 617,377, an average of USD 8,018 per hotel. Table 4 below provides the breakdown per hotel category.

Table 4: Amount of Investment Other than USAID Assistance

Hotel category	N	Total Investment (USD)	Average Investment (USD)
Tourist-Class	17	137,912	8,112
1-Star	32	188,267	5,883
2-Star	18	217,888	12,105
3-Star	10	73,310	7,331

Total	77	617,377	8,018
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The details of grantees' own investments (multiple responses of 77 hotels) as shown in Figure 2 below indicate that 59 percent of hotels invested on repair and maintenance, 51 percent purchased new equipment/furniture; 29 percent constructed new rooms while 23 percent invested on protection walls; 11 percent invested on their water supply; 9 percent spent on furnishing their hotels; 8 percent built multi-purpose halls; 8 percent invested in parks and playgrounds; 5 percent invested in restaurants; 4 percent invested in car rental; 3 percent opened tuck shops (i.e. general store); 3 percent invested in catering; and 1 percent built new shops/houses and rented them out.

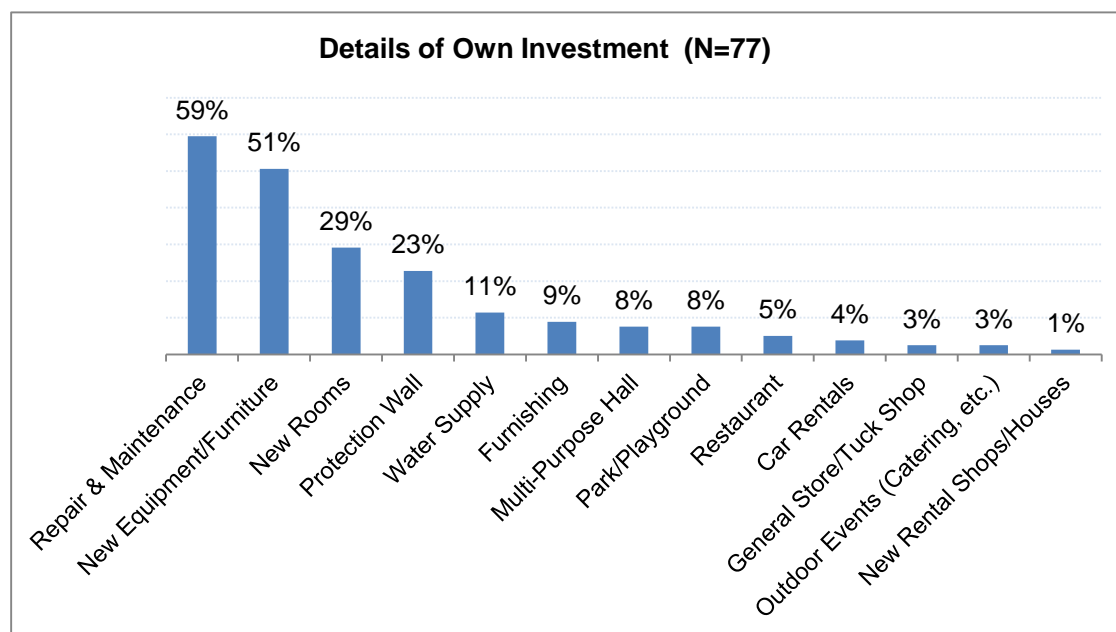


Figure 2: Details of Own Investment

3.1.3 Assistance Received Other than USAID

The findings of the impact assessment suggest that 99 percent of the grantees did not receive any assistance from any other source for the recovery of their business. Only one grantee participated in a business management training provided by a local development organization. Discussions with the grantees revealed that those who received grants from USAID were not given assistance by others as all aid agencies were aware of the USAID assistance, which was coordinated through the Provincial Government; hence, any chances of duplication were minimized.

3.1.4 Room Types and Average Daily Rates for 2012

Analysis of the daily room rate across different seasons, as shown in the Figures3, 4 and 5, explains that tourists' trend varies, based on the geographic locations of Swat Valley.

The room rates are obviously high in the tourist season. Those visiting Mingora are mostly locals approaching the city for various purposes, associated with district level needs such as district courts, government offices, hospitals and major markets in the valley. Thus the hotel

daily room rates are relatively low and the hotels are mostly open year-round, with little seasonal variation in the room rates. It was observed that their restaurants were making more revenue than their serving/seating capacity due to a large number of walk-in customers.

Tourists from outside the valley who needed to stay in Mingora would prefer to be in hotels outside the city in peripheral areas such as Fizaghat. Hence, their room rates are higher than those in Mingora City.

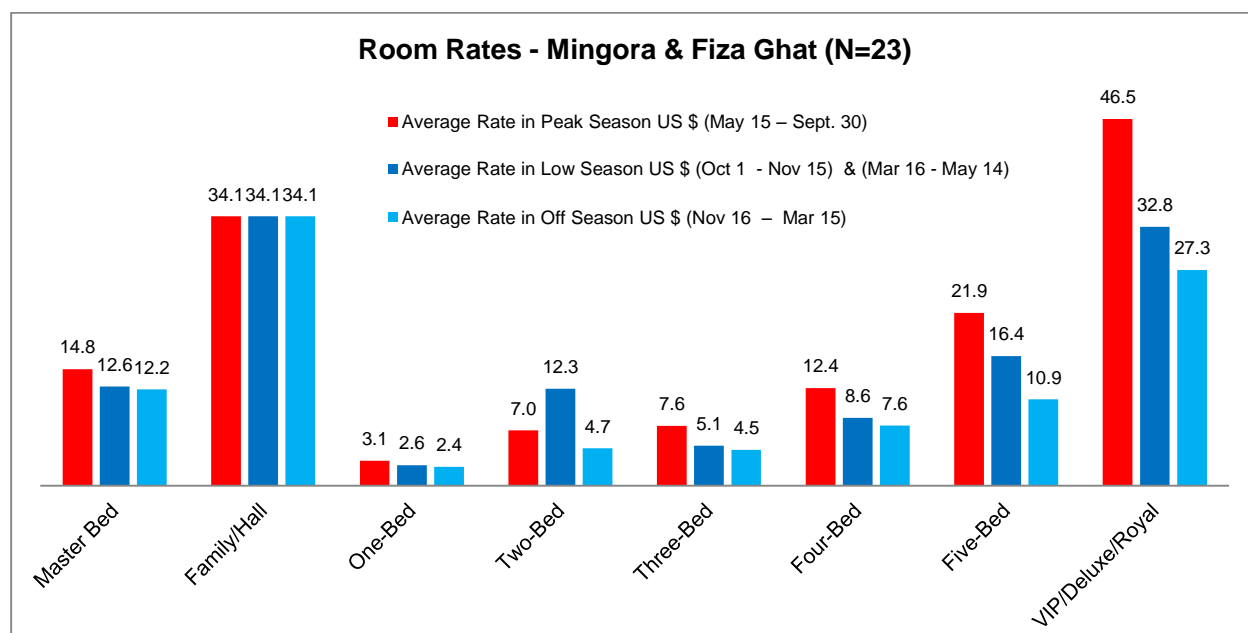


Figure 3: Room Rates for Mingora and Fizaghat Cluster

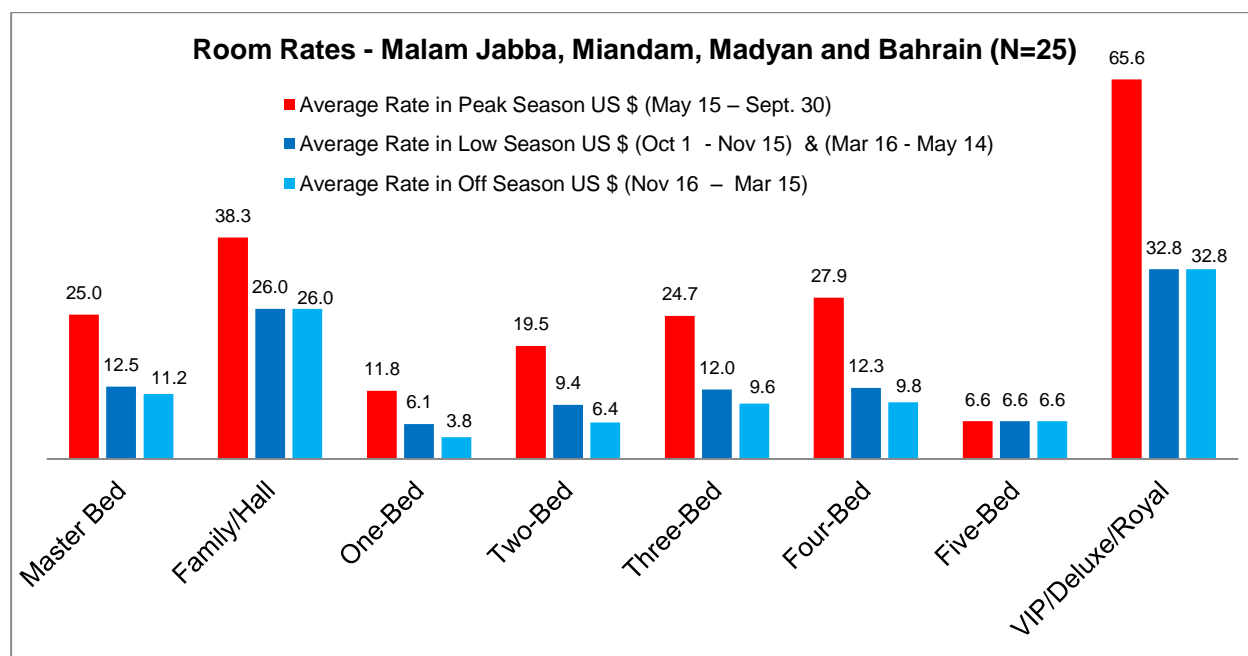


Figure 4: Room Rates for MalamJabba, Miandam, Madyan and Bahrain Cluster

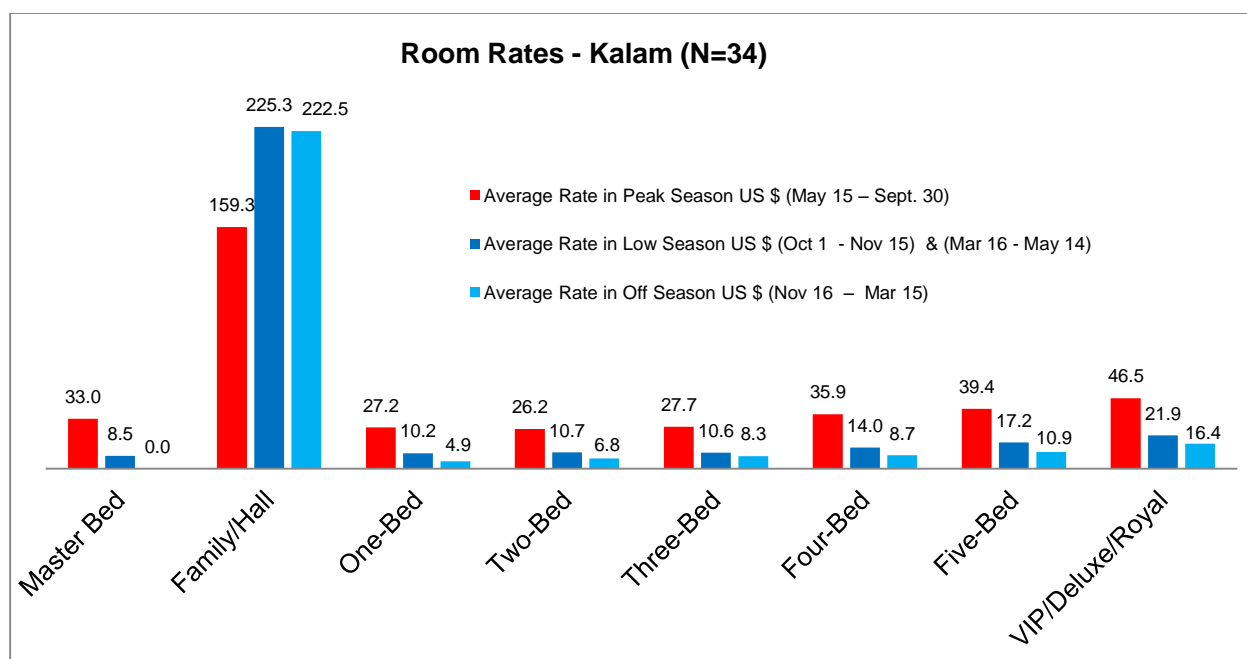


Figure 5: Room Rates for Kalam Cluster

Malam Jabba had chair lifts and skiing facilities in the past, which have not been revived as yet; hence, the hotels there haven't been able to generate substantial revenue. Hotels in Miandam have high standards of service and cleanliness; hence, they were charging higher room rates. The road to Kalam still needs a lot of improvement, making it difficult for most of the tourists to reach Kalam in one stretch. On the other hand, this has improved revenue for hotels located on route to Kalam, especially in Bahrain. Madyan continues to be a favorite spot for a brief stop-over for meals due to its restaurants and availability of good food, in particular trout fish from the local fish farms.

Kalam has a wide range of hotels from each class and has generated relatively healthy revenue in 2012; however, because of an inconsistent supply of electricity, the hotels have high maintenance and operational costs due to the extensive use of generators for power. This drives the room rates higher. Room rates are fairly high during peak season compared to the low or off season, as most of the tourists visiting the valley prefer to come to Kalam. In low or off season, very few hotels continue to operate, as Kalam receives heavy snow in winters, and the operational costs become much greater than the revenue generated.

3.1.5 Payroll, Operating Expenses and Sales Revenue, Jan.–Nov. 2012

One of the main objectives of the USAID Firms Project is to increase the sales revenue of the supported businesses. The study findings suggest that the USAID grant for the revival of hotels in Swat has been successful in generating a total of USD 1.29 million from January to November 2012.

Table 5: Payroll, Operating Expenses and Sales Revenue in USD

Hotel Category	Frequency	Payroll		Operating Expenses		Sales	
		Sum	Mean	Sum	Mean	Sum	Mean
1-Star	34	97,426	2,865	162,122	4,768	429,250	12,625

Hotel Category	Frequency	Payroll		Operating Expenses		Sales	
		Sum	Mean	Sum	Mean	Sum	Mean
2-Star	20	102,954	5,148	174,911	8,746	421,108	21,055
3-Star	10	47,042	4,704	68,181	6,818	192,665	19,266
Tourist-Class	18	52,310	2,906	147,566	8,198	250,086	13,894
Total	82	299,732	3,655	552,781	6,741	1,293,110	15,770

During this period, USD 299,732 was spent on employees' payroll and operating costs consumed USD 552,781. On average, sales revenue of USD 15,770 was generated by each sample hotel in the period from January to November 2012. The total sales revenue of 3-Star hotels ranked the lowest (USD 192,665) and 1-Star hotels the highest (USD 429,250). In terms of averages, 2-Star hotels have generated the highest employment and have conducted the most business during the period of January to November 2012. On average, each 2-Star hotel has paid USD 5,148 to its employees, while average operational expenses were USD 8,746 and average sales revenue was USD 21,055 during the same period. 1-Star hotels could be ranked as the lowest in terms of amount of business conducted in the given time-frame.

Cluster-wise analysis based on the averages is also presented in Figure 6 below. It indicates that, on average, a hotel in Mingora and Fizaghat (Cluster 1) incurred the highest expense for employment for the period of January to November 2012. This is directly related to Cluster 1 hotels being functional throughout the year. As opposed to this, a hotel in Kalam (Cluster 3) incurred lowest average expense on employment, as the hotels in Cluster 3 are functional for a relatively shorter duration in a year.

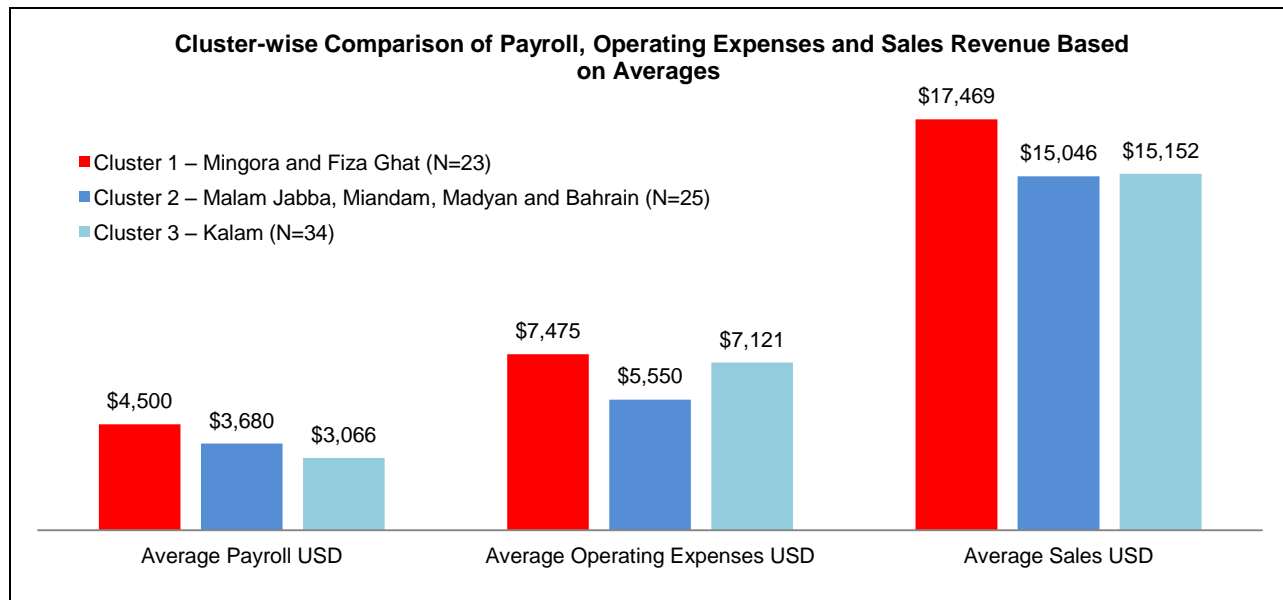


Figure 6: Cluster-wise Comparison of Payroll, Operating Expenses and Sales Revenue

Also on average, a hotel in Mingora and Fizaghat (Cluster 1) incurred highest operating expense for the period of January to November 2012. This is again directly related to the flow of guests throughout the year and relatively more business done by the restaurants within the sample hotels. On average, a hotel in Kalam (Cluster 3) also incurred fairly high operating

expense as electricity has not been fully restored in Kalam and large amounts of funds are spent on fuel for generators, thereby increasing the operating expenses.

Analysis also reveals that, on average, a hotel in Mingora and Fizaghat (Cluster 1) generated the highest sales revenue, followed by Kalam (Cluster 3).

3.1.6 Employment Generated by Hotels, Jan.–Nov. 2012

The Grants Program in Swat was also expected to generate full time equivalent (FTE) employment as a direct consequence of this assistance. Table 6 below provides a quick look at the employment figures from the hotels data. From January to November 2012, including both permanent and full time employees, 687 Full Time Equivalent (FTE) employments were generated by the 82 hotels sampled for this study.

Table 6: Full Time Equivalent (FTE) Employment from Jan. –Nov. 2012

Hotel Category	N	Total # of Employees		Average Working Days/Year		Average Working Hours/Day		Full Time Equivalent*(FTE) Jobs			
		Perm.	Temp	Perm.	Temp	Perm.	Temp	Perm.	Temp	Total	Per Hotel
Tourist-Class	18	54	36	278.6	74.8	13.2	8.5	103.15	11.92	115.07	6.39
1-Star	34	90	94	296.7	74.7	13.0	9.6	180.81	35.07	215.87	6.35
2-Star	20	100	95	290.2	89.0	12.1	10.8	182.10	47.34	229.44	11.47
3-Star	10	43	72	295.8	86.4	13.3	11.9	88.11	38.56	126.66	12.67
Total	82	287	297	290.3	81.2	12.9	10.2	554.2	132.9	687.0	9.2

* FTE was calculated based on the work hours of 11 months (i.e., 1,920 hours instead of 2,080).

It is important to note that only males were employed in the hotels and associated businesses; women were not employed by any of the sampled hotels.

3.1.7 Comparison of Hotels Data with 2010 Baseline & 2011 Actual Figures

The conflict and floods in Swat affected hotels sales adversely, causing them to crash during this period. The post-flood baseline (2010) showed that the sales revenue was reduced to an average of USD 4,346 and the number of operational hotels was reduced to 97. The per-hotel average Full Time equivalent (FTE) was reduced to 3. As a result, the tourism sector in Swat, a key contributor of economic activity in the area, was adversely affected during this period.

As 2012 data in the table below shows, the Grants Program was instrumental in transforming the sales revenues of the tourism sector following the restoration of peace and revival of security in the valley. The number of operational hotels increased from 97 to 239 in 2012. The rehabilitation of the hotel businesses through the provision of grants gave rise to revenue generation, in addition to the creation of additional job opportunities. Furthermore, it is also encouraging to note that the tourism sector is growing rapidly, which is indicated by the huge increases in sales revenue (794 percent) and Full Time Equivalent (FTE) employment (652 percent) for the hotels sampled.

Table 7: Comparison of Hotels Data with 2010 Baseline

Year	N	Sales Revenue (USD)		Private Investment Mobilized (USD)		FTE Employment	
		Total	Average	Total	Average	Total	Average
2010 Post-Flood	97	421,575	4,346	-	-	293	3.02
2012	239	3,769,030	15,770	1,916,302	8,018	2,204	9.22
Increase from 2010 Post-Flood		3,347,455	-	1,916,302	-	1,911	-
% Increase from 2010 (Post-Flood)		794%	-	-	-	652%	-

In the year 2012, average sales revenue and total Full Time Equivalent (FTE) employment showed a notable increase as reflected in the Figures 7 and 8.

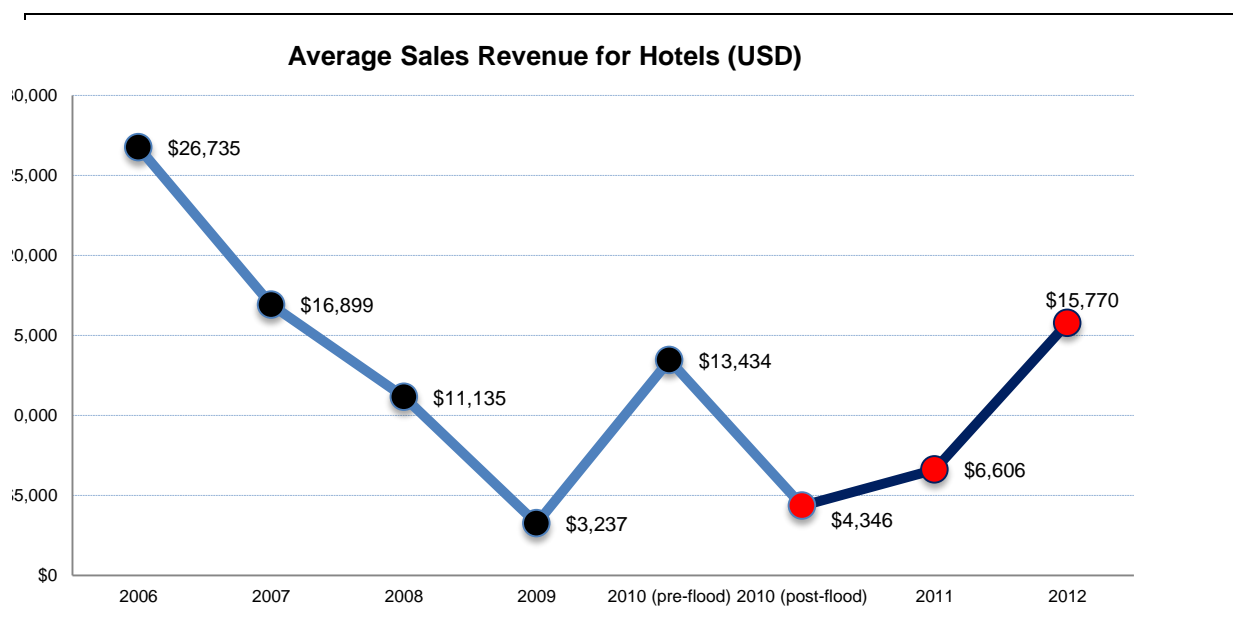


Figure 7: Comparison of Average Sales Revenue of Hotels with Baseline

Owing to the assistance from the Grants Program in Swat, the average sales revenue has risen from USD 4,346 after the floods in 2010 to USD 15,770 in 2012.

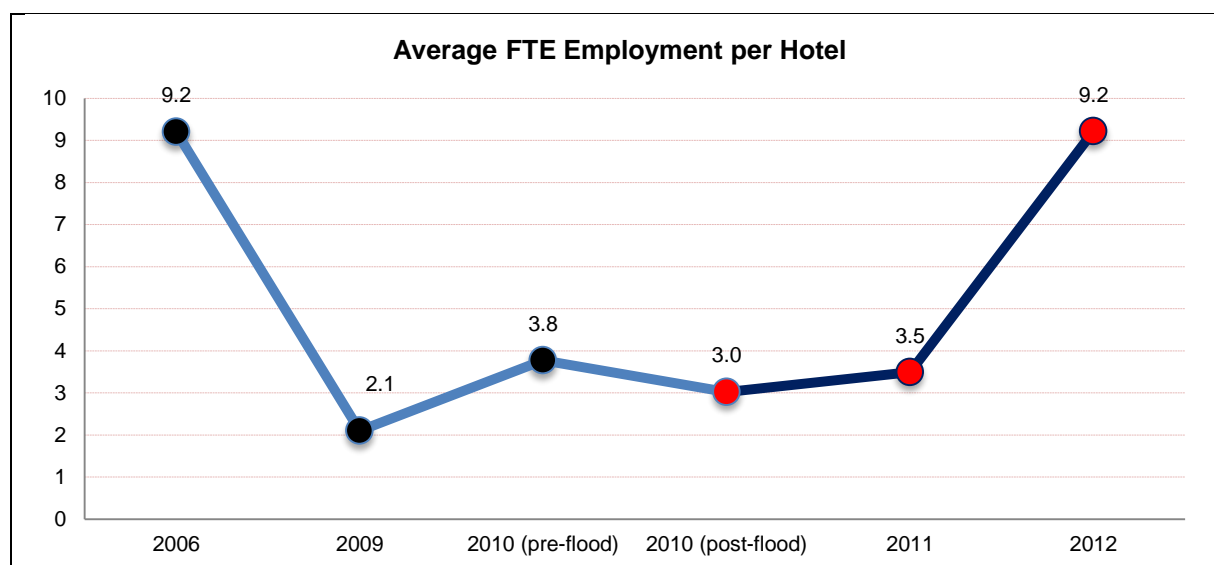


Figure 8: Comparison of Average FTE Employment of Hotels with Baseline

Average Full Time Equivalent (FTE) has also had a rise from 3 after the floods in 2010 to 9.2 in 2012.

The historical data on hotels suggest that prior to the conflict in Swat in 2006, 208 hotels reported total sales revenue of USD 5,560,794, with an average of USD 26,735 per hotel, and had an average of 9.2 employees per hotel.

Table 8: Comparison of Sales Revenue

Year	Number of Hotels	Total Sales Revenue (USD)	Average Sales Revenue (USD)
2006	208	5,560,794	26,735
2007	66	1,115,322	16,899
2008	29	322,902	11,135
2009	31	100,348	3,237
2010 (pre-flood)	200	2,686,858	13,434
2010 (post-flood)	97	421,575	4,346
2011	149	984,323	6,606
2012	239	3,769,030	15,770

Source: 2006–2009 figures from the hotel sales data presentation given to USAID in Dec 2011; 2010 pre- and post-flood figures from the Hotel Census conducted by Fincon; 2011 figures from the annual and quarterly reports of the Firms Project; and 2012 data from the current assignment.

Table 9: Comparison of Hotels FTE Employment

Year	# of Hotels	Employees	Average FTE Employees/Hotel
2006	234	2,150	9.2
2009	539	1,132	2.1
2010 (pre-flood)	239	902	3.8
2010 (post-flood)	97	293	3.0
2011	149	520	3.5

2012	239	2,204	9.2
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With normalcy returning to Swat Valley, the Grants Program has been successful in initiating the recovery of tourism industry in Swat to the pre-conflict level, triggering sales, private investment, and Full Time Equivalent (FTE). The average sales revenue has reached USD 15,770 in 2012 and average Full Time Equivalent (FTE) employment has already reached 9.2 in 2012.

3.1.8 Satisfaction with USAID Grant

When the sampled hotel owners/respondents were asked if they were satisfied with the USAID assistance, 52 (65 percent) hoteliers responded that they were very satisfied; however, 4 (5 percent) hoteliers expressed their dissatisfaction. When further probed about why they were not satisfied or fully satisfied, 6 (75percent of respondents) hoteliers responded that assistance provided in-kind was not of good quality and 2 (25 percent) hoteliers said that the grants were insufficient.

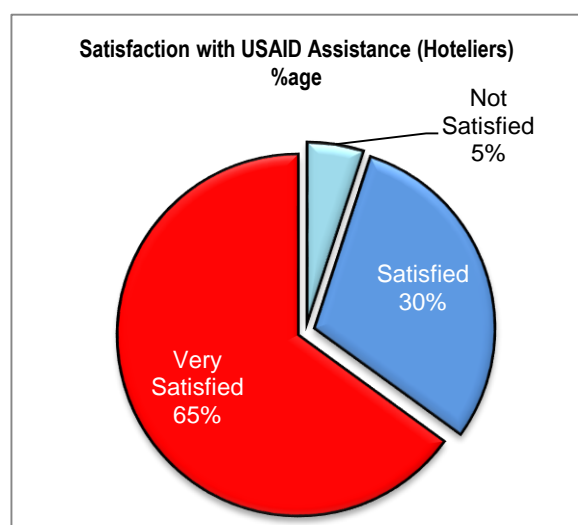


Figure 9: Satisfaction with USAID Assistance

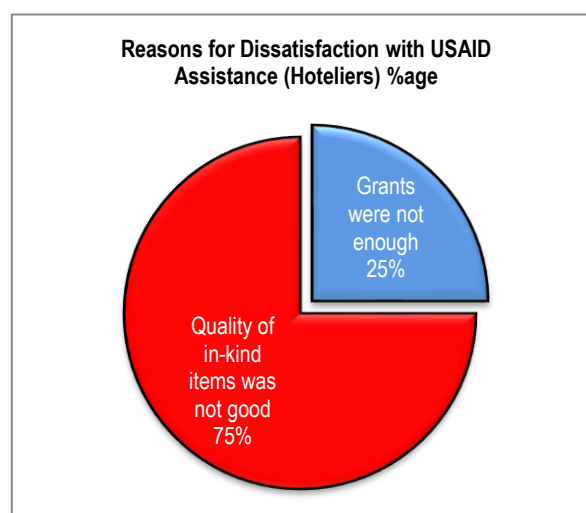


Figure 10: Reasons for Dissatisfaction

3.1.9 Message to Attract Tourism in Swat

Findings suggest that 61 (74 percent) respondents shared that the best message to attract tourists to Swat is that peace has returned to the valley. 9 (11 percent) respondents suggested that there is natural scenery in Swat worth visiting and 8 (10 percent) respondents shared that, since the hotels are now operational, tourists should visit Swat.

3.1.10 Conclusions

In the wake of the conflicts and floods that devastated Swat Valley in the past few years, the U.S. Government and the Government of Khyber Pakhtunkhwa jointly decided to focus their efforts on reviving Swat's tourism industry to help create jobs and enhance incomes for the

people of the Swat Valley. These efforts to restore tourism focused on rehabilitating hotels, reviving fisheries and encouraging tourists from all over the country to visit Swat Valley.

As a result, buildings and operations of 239 hotels were restored and these businesses achieved success. The hotels are now generating eight times more revenue than they did before this project began. This significant increase in revenue has enabled the hotels to create more jobs and higher incomes for the people of Swat Valley. This is driving an economic recovery for the benefit of everyone in the region.

3.1.11 Recommendations

- a) Alternate energy sources should be identified and promoted as part of the assistance in order to reduce operational expenses, thereby increasing overall revenue.
- b) 2-Star Hotels have shown great potential through the business they did from January to November 2012; hence, they should be targeted for further assistance in the future.
- c) Tourism in Swat could be further promoted through media campaigns, which will directly increase sales, employment and private investments.

3.2 Trout Fish Farms

3.2.1 Ownership of Fish Farms and Record Keeping

The estimated population of trout fish farms for sample calculation was 22. The sample size achieved was 18 fish farms, as 4 fish farms grantees couldn't start the reconstruction/recovery of their fish farms and were not available for the interview. Of the 18 fish farms, 17 (94 percent) of them were operated by the owners, and 1 (6 percent) was leased.

The data analysis suggests that 14 (82 percent) of the fish farm grantees maintain farm records. Out of those, 81 percent maintain financial records and 87 percent maintain employee records.

3.2.2 Additional Investment Out of Grantees' Own Pockets

One of the objectives of this study was to measure the amount of money that fish farm grantees have invested from their own pockets in addition to the USAID assistance to expand their existing business or start an allied business, since the floods of 2010. Additional investment was made by all (100 percent) fish farm grantees, amounting to USD 354,326.

Details of owner investment show that 82 percent of the grantees invested in protection walls, followed by construction of new fish ponds (59 percent), construction of new rooms (29 percent), construction of water channels and tanks (29 percent), import of fish feed (24 percent), purchase of new equipment/furniture (18 percent), repair and maintenance (6 percent), and furnishing (6 percent), as shown in Figure 11 below.

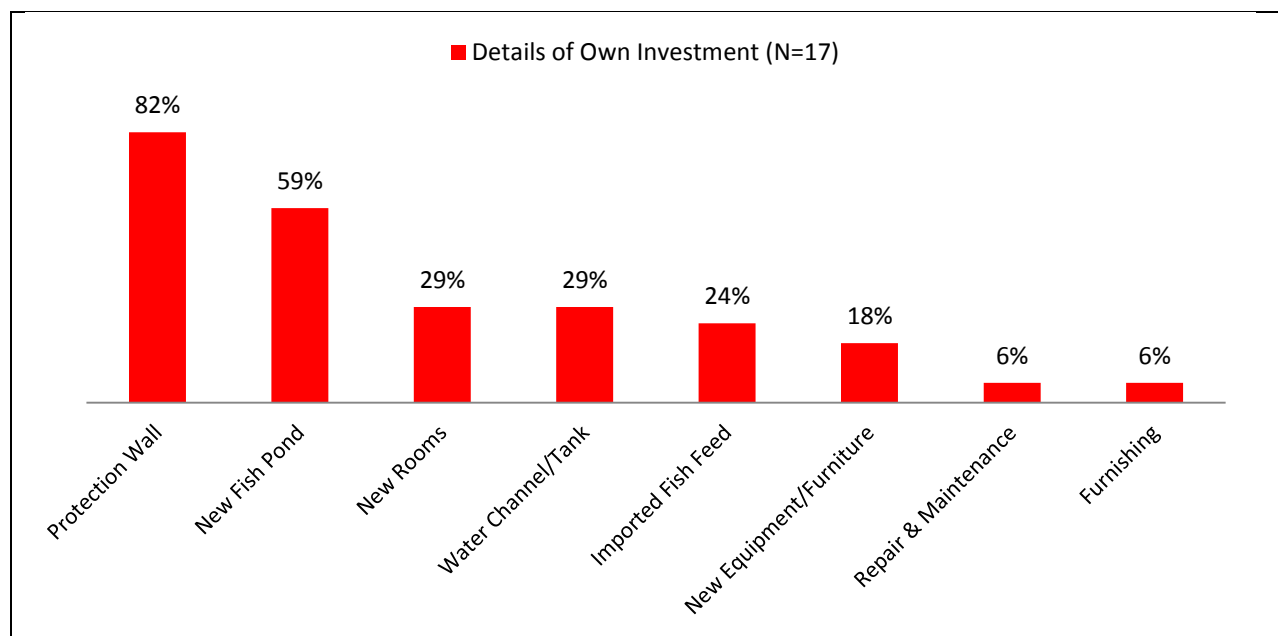


Figure 11: Details of Own Investment

3.2.3 Assistance Received Other than USAID

Findings of the impact assessment suggest that only 11 percent of respondents received assistance from sources other than USAID, while 89 percent responded that they did not receive any additional assistance. One of the assistance recipients reported that he had also received cash assistance from the Early Recovery Livelihoods Project, implemented through district authorities.

3.2.4 Payroll, Operating Expenses and Sales Revenue, Jan – Nov 2012

One of the main objectives of the USAID Firms Project is to increase the sales revenue of the supported businesses.

The analysis of the data collected from 18 fish farms during the impact assessment suggests that during the period January to November 2012, the sample fish farmers generated total revenue of USD 408,819 by selling market size fish, fingerlings, eggs, other inputs such as feed, nets, medicine, etc. and through other allied business including tuck shops, restaurants, hotels, rentals, etc.

Figure 12 below provides a quick breakdown of the total sales revenue.

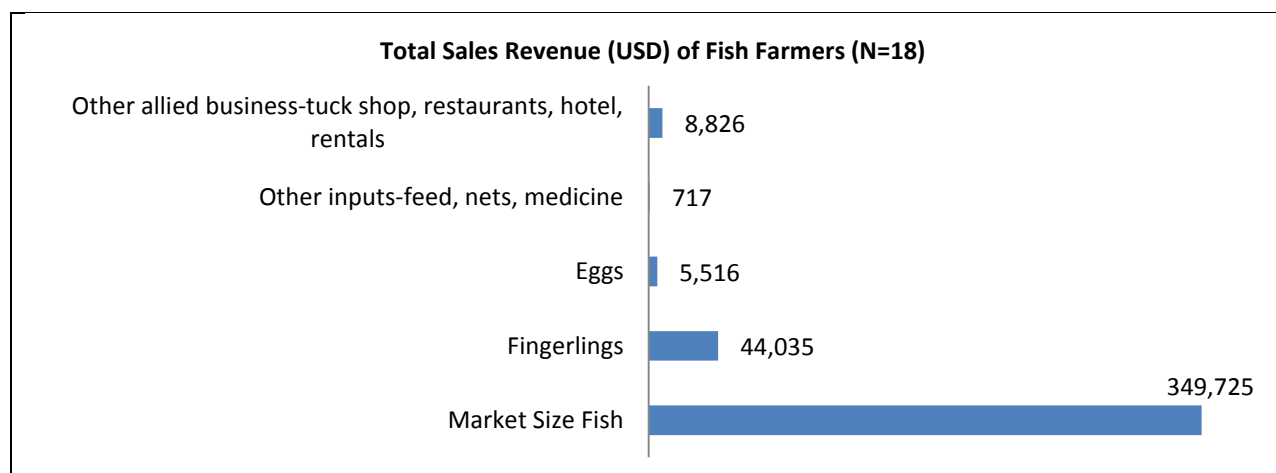


Figure 12: Total Sales Revenue (USD) Fish Farms

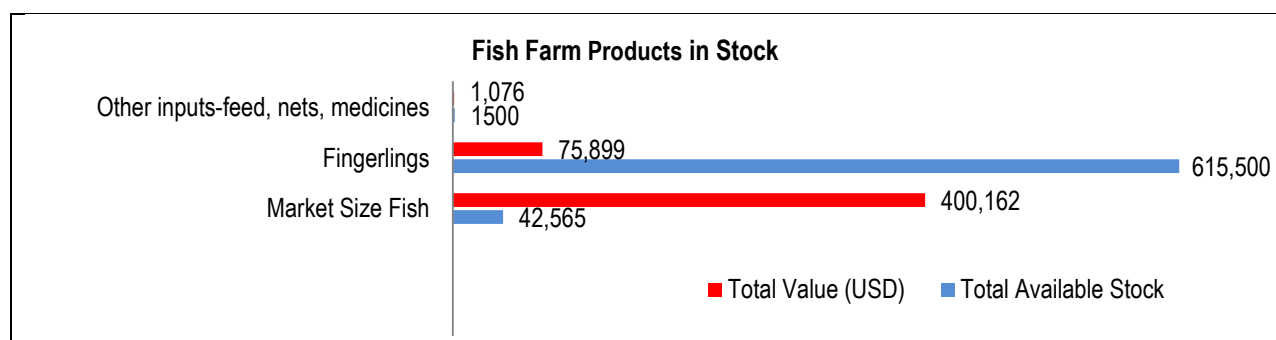


Figure 13: Fish Farm Products in Stock

Figure 13 indicates that sample fish farmers have market size fish and fingerlings available in stock worth USD 477,137, calculated on the basis of sales data of 2012. Data suggests that

only 10 fish farms, or 56 percent of the visited farms, were able to sell market size fish during the period January to November 2012. Twelve (12) fish farms, 67 percent of the visited farms, had a substantial number of market size fish available in stock. It was revealed that market size fish available in stock was three times greater than the fish sold during the period January to November 2012. Four (4) fish farms (22 percent) were found to have generated revenue through the sale of fingerlings. The trout fish per kilogram price varied significantly in the valley depending upon the influx of the tourists. There was also widespread variation in the price of fingerlings across the valley.

Eight (8) fish farms, 44 percent of the sample visited, had used brooders for trout breeding. It was learned that most of the fish farms were using local feed prior to the grant; however, currently feed is being imported from Finland and being sold by local fish farmers. The Firms Project had introduced seed of trout fish imported from the U.S. to rehabilitate the trout farmers' stock after the 2010 floods.

3.2.5 Employment Generated by Fish Farms, Jan – Nov 2012

Another key objective of the Grants Program in Swat was to generate Full Time Equivalent (FTE) employment as a direct consequence of this assistance. Table 10 below provides a quick look at the employment figures from the fish farms data. From January to November 2012, including both permanent and full time employees, 78.7 Full Time Equivalent (FTE) were generated by 16 fish farms out of those sampled for this study.

Table 10: Full Time Equivalent (FTE) Employment, Jan.–Nov. 2012

Fish Farm	N	Total # of Employees		Average Working Days/Year*		Average Working Hours/Day		Full Time Equivalent(FTE*) Employment			
		Perm	Temp	Perm	Temp	Perm	Temp	Perm	Temp	Total	Per Farm
Total	16	59	24	274	33	9	3	77.3	1.4	78.7	4.9

* FTE was calculated based on the work hours of 11 months (i.e., 1,920 hours instead of 2,080).

3.2.6 Comparison of Fish Farms Data with Baseline

With the return of peace and security in Swat, USAID assistance has supported fish farms in their recovery and has succeeded in reviving them to a great extent, raising the average sales to USD 40,882. If the value of available fish farms products in stock is also brought into consideration, the comparison may lead to a very significant climb in the average sales.

Table 11: Comparison of Fish Data with 2010 Baseline

Year	Sales Revenue			Private Investment Mobilized (USD)			FTE Employment		
	N	Total	Average	N	Total	Average	N	Total	Average
2010 Post-Flood	18	31,059	1,726		-	-	18	36	2.0
2012	10	408,819	40,882	17	354,326	20,843	16	79	4.9
Increase from 2010 (Post-Flood)		1,216%	-		-	-		119%	-

Table 11 indicates a 1,216 percent rise in the total sales revenue since the 2010 floods, as 18 fish farms were then generating only USD 31,059 and as per the findings of the impact assessment conducted in 2012, 10 fish farms have succeeded in generating USD 408,819.

There is also 119 percent rise in the total Full Time Equivalent (FTE) employment generated in 2012 compared to that of 18 fish farms assessed at the post-floods stage in 2010.

The rise in average sales revenue since 2010 floods is described in Figure 14 below.

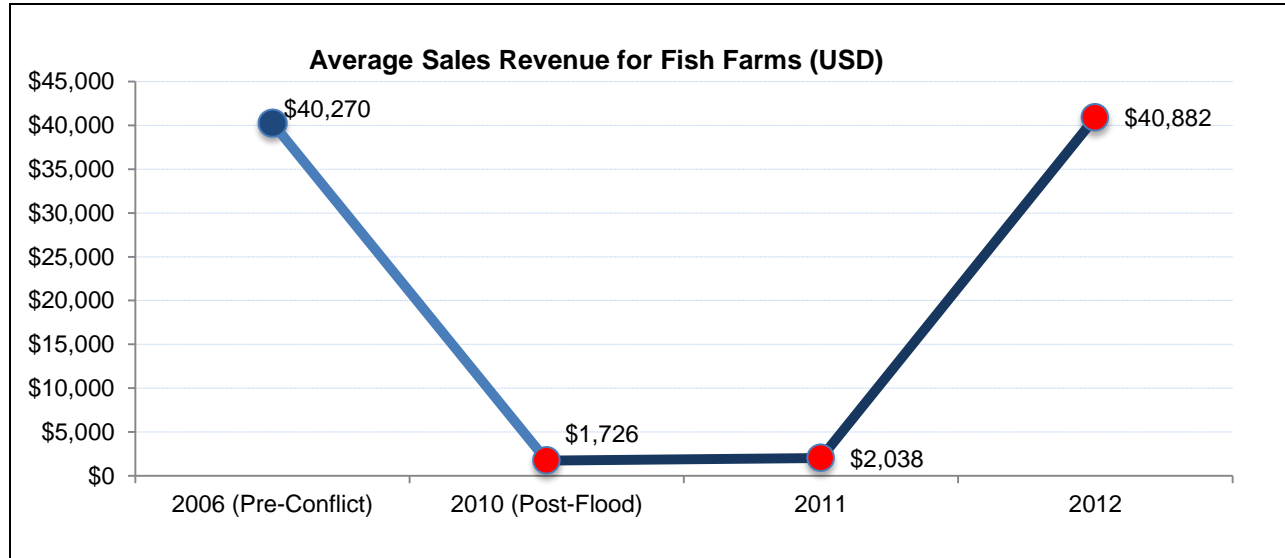


Figure 14: Fish Farm Average Annual Revenue Compared with Baselines

Table 12: Comparison of Fish Farms FTE Employment

Year	# of Fish Farms	Total FTE Employment	Average FTE Employees per Farm
2010 (Pre-Flood)	14	50	3.6
2010 (Post-Flood)	18	36	2.0
2011	18	63*	3.5
2012	16	79	4.9
* Construction-related temporary jobs as reported in the Firms quarterly reports are not counted here.			

Alongside sales, Full Time Equivalent (FTE) employment has also risen significantly after the revival of fish farms in the valley, which has created more jobs. The average FTE employment has risen from 2 since the 2010 floods to 4.9 in 2012 as shown in Figure 15 below.

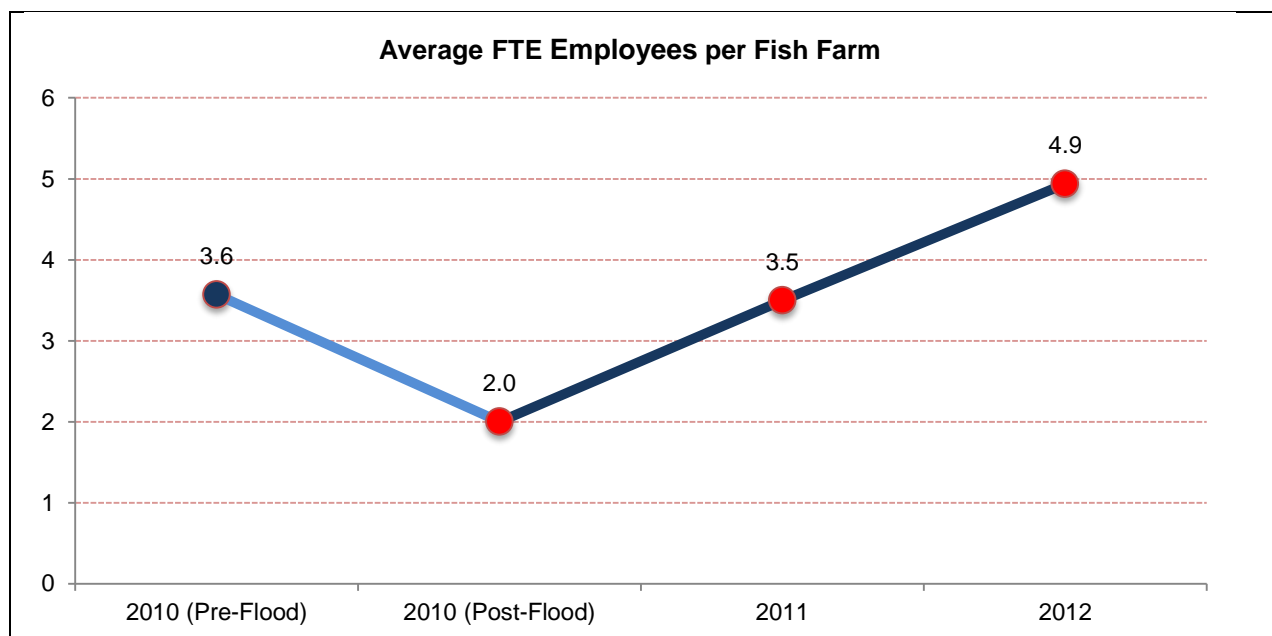


Figure 15: Comparison of Average FTE of Hotels with Baseline Data

A comparison of fish farms data with the baseline of the pre-conflict stage indicates that the average sales for fish farms in Swat in 2012 (USD 40,882) has had a slight increase compared to the pre-conflict stage (USD 40,270). The average Full Time Equivalent (FTE) per fish farm also has had an increase from 3.6 to 4.9.

Table 13: Comparison of Sales Revenue

Year	# of Fish Farms	Total Sales Revenue (USD)	Average Sales Revenue (USD)
2006 (Pre-Conflict)	5	201,350	40,270
2010 (Post-Flood)	18	31,059	1,726
2011	7	14,265	2,038
2012	10	408,819	40,882

Fisheries Census Report-2010 (FINCON), Post-Flood Assessment-2010 (Firms Project), Fisheries Economic Analysis-2012 (Firms Project) and current assignment.

3.2.7 Satisfaction with USAID Grant

Eight (47 percent) sample fish farm grantees shared that they were satisfied, while 6 (35 percent) were very satisfied with the USAID assistance for the revival of trout fish farms. However, 3(18 percent) were not satisfied. The respondents who were not satisfied shared that the grants were not enough or they did not receive all installments.

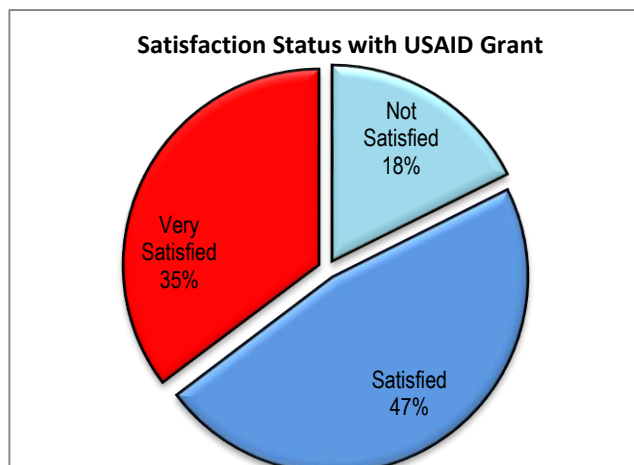


Figure 16: Satisfaction with USAID Grant

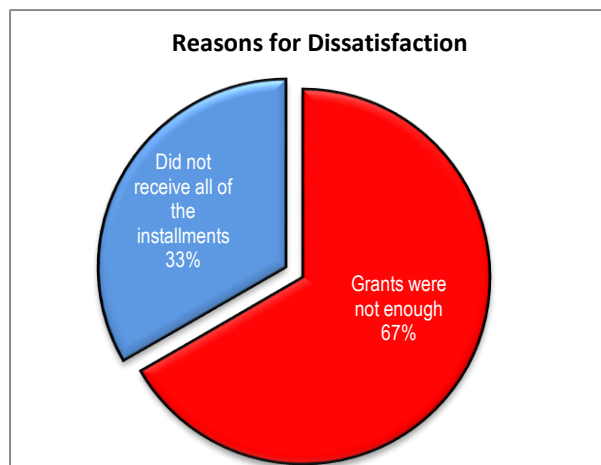


Figure 17: Dissatisfaction with USAID Grant

The study reveals that business plans were developed at the outset of Grants Programs in Swat. These plans also included detailed feasibility for each fish farm, mutually agreed upon before the release of grants. Those fish farmers who were not satisfied with the grants were expecting the grants to continue for more than a year and thus deviated from the agreed upon business plan and could not accomplish full revival of their farms as per plan. This rendered them defaulters, as they did not meet the conditions agreed upon with the project and, therefore, could not receive all of the installments.

3.2.8 Message to Attract Tourism in Swat

Eighty-eight percent of respondents shared that the best message to attract tourists to visit Swat is peace that has returned to the valley. Six percent suggested natural scenery and the same number suggested availability of trout fish as their key message for tourists to come to Swat.

3.2.9 Conclusions

In the wake of the conflicts and floods that devastated Swat Valley in the past few years, the U.S. Government and the Government of KP jointly decided to focus their efforts on reviving Swat's tourism industry to help create jobs and enhance incomes for the people of Swat Valley. These efforts to restore tourism focused on rehabilitating hotels, reviving fisheries, and encouraging tourists from all over the country to visit Swat Valley.

As a result, infrastructure and operations of 22 fisheries were restored, and these businesses achieved success. The fisheries are now generating 12times more revenue than they did before this project began. This significant increase in revenue has enabled the fisheries to create more jobs and higher incomes for the people of the Swat Valley. This is driving an economic recovery for the benefit of everyone in the region.

3.2.10 Recommendations

- a) Market linkages of trout fish farms need to be widened and improved in order to increase their sales revenue.
- b) Local marketing of trout, particularly in the winter season, needs to be explored.
- c) Alternate energy sources should be identified and promoted as part of the assistance in order to reduce operational expenses, thereby increasing overall revenue.
- d) Availability of fish feed remains a challenge as all fish farms do not have access to quality feed at affordable rates, hence linkages need to be set up with financial institutions.
- e) There is also an opportunity to support small-scale feed production within the country to ensure affordable feed for the farms.

4. ANNEXES

Annex 1: Scope of Work for the Impact Assessment

Study at a glance:

The USAID Firms Project requires the services of an organization (selected through an RFP process) to assess the results of its Malakand SME Recovery Assistance Program (also referred to as Grants Program) in Swat and analyze its contribution in improving production & sales and generating employment. It will assess the project's contribution to the rehabilitation of small and medium businesses in the Hotels and Fisheries sector in Swat. This assessment is expected to commence in October 2012.

1. Study Title

Impact Assessment of the Malakand SME Recovery Assistance Program (also referred to as Grants Program) in District Swat

2. Background

Following the war on terror in Swat, the U.S. Agency for International Development (USAID) and Government of Khyber Pakhtunkhwa started rehabilitation of affected small and medium sized businesses to revitalize the local economy through the USAID Firms Project. The project conducted a census of hotels in April 2010, which reported capital losses of PKR 86 million (USD 1 million) and a 3-year revenue losses of PKR 2.29 billion (USD 27 million). Another major setback occurred in late July 2010 when the heavy monsoon rains caused unprecedented flooding which washed away the roads, bridges and 24 hotels, while partially damaging other businesses and infrastructure.

In collaboration with the Provincial Relief, Rehabilitation and Settlement Authority (PaRRSA) of the Government of Khyber Pakhtunkhwa, the grants program of the USAID Firms Project provided direct support in the form of cash grants, technical assistance and in-kind procurement to the war and flood affected 239 hotels and 22 trout fish farms in Swat. The project provided an assistance of total USD 5.25 million for the construction material, operating equipment, production inputs, grant funds and technical assistance to help the businesses recover.

The project seeks to measure and document the contribution of the grants program to the production, sales, revenue and employment of the tourism and fisheries industry in Swat. This impact assessment will supplement existing monitoring information and the final end of project evaluation. The specifics of the assessment are outlined in the sections below. The overall process of assessment will be guided by the goals and relevant strategic objectives/intermediate results of the project as listed below.

Goal:	Improved conditions for broad-based economic growth.
Program Purpose:	Dynamic internationally and domestically competitive firms with accelerated sales, investment and employment.
Intermediate Result 1:	Enhanced competitiveness in project-assisted firms in targeted value chains.
Indicators:	1.1. Increase in sales revenue of project-assisted firms 1.2. Increase in employment for project-assisted firms

3. Purpose of the Assessment:

The purpose of this assessment is to study the results of the grants program with a specific focus on production, sales and employment generated by the target hotels and the fish farms. The findings of this

assessment will help the project produce relevant information against set indicators and contribute to the end of project evaluation.

4. **Assessment Objectives:**

The overall objective of this assessment is to study the degree of production, sales, and employment of 239 hotels and 22 trout fish farms generated as a result of the grants program in district Swat. The specific objectives of the assessment are:

5. Assess the change in production, sales revenue, and employment of project assisted hotels and fish farms as a result of the grants program.
6. Assess the extent to which the grantee hotels and fish farms have been able to sustain their businesses without additional support from the Firms project or any other source since the conclusion of the grants program.
7. Develop case studies of four grantee hotels (one from each class) and two grantee fish farms that showcase exceptional positive impact as a result of the grants program in the format provided by the USAID Firms Project.

5. **Scope of the Study:**

The assessment covers all grantee hotels and fish farm. For the survey part of the assessment a sample of 66 hotels out of the 239 beneficiary hotels and all of the 22 trout fish farms assisted to collect and analyze the data regarding sales, production and employment for the period of January 2012 to September 2012. The consultant(s) / subcontractor will work in the Swat district for the data collection by visiting the grantee hotels and fish farms. The study will also require meeting and coordinating with the relevant project personnel in the Islamabad and Lahore offices of the USAID Firms Project, relevant Govt. officials and stakeholders of the tourism industry.

6. **Assessment Methodology:**

6.1 **Hotel survey:**

A multi-stage cluster sampling is proposed for this survey. The grants program benefited a total of 239 hotels across different areas of Swat. These hotels were divided into different classes based on their size. Table 1 provides the class wise distribution of the grants program across different regions of Swat.

The hotel survey intends to cover all grantee hotels by taking a representative sample of each class of hotel. The following formula is used to calculate the sample size. This formula is appropriate for baseline measurements of multi-variable surveys. It establishes variation and expected proportions of key variables which can be used by subsequent surveys to determine sample sizes required for estimating differences in means or proportions. This formula also takes into account the magnitude of change that can be detected on a specific confidence level given the expected standard deviations for the indicators of interest.

Sample size		$n = Deff [(Z\alpha + Z\beta)^2 * (Pb (1 - Pb) + Pe (1 - Pe))] / (Pe - Pb)^2$		
Design effect	Deff	1.3	Design effect is set at 1.3	
Significance	Z α	1.645	set at .95	
Power	Z β	1.282	set at .90	
Proportion baseline ⁵	at Pb	0.5	Baseline values is set to 50% to maximize the formula impact	
Proportion at end line	Pe	0.75	Expected change at the end line	
Sample Size		78	Sample required	

The equations above also include “Deff” for the design effect. This provides a correction for the loss of sampling efficiency resulting from the use of cluster sampling instead of simple random sampling, and the

⁵A value of .5 is used to maximize the impact of this formula component on the sample size.

gain of sampling efficiency resulting from stratification. It is the factor by which the sample size must be multiplied by in order to produce survey estimates with the same precision as a simple random sample. It was assumed a priori that inter-hotel or fish farm variation is small compared to that of population-based surveys that are based on severity classes. Thus, a design effect (Deff) of 1.3 was used.

By applying this formula the total required sample comes to **78**.

The total number of beneficiary hotels (239) is relatively small, so the sample does not need to be large. We thus adjust n by a finite population correction factor to obtain the required sample size as follows:

Finite Population Correction

$$n = \frac{n_0}{1 + \frac{n_0 - 1}{N}}$$

Where,

n = sample size

N = Population size (i.e. total number of participating peach growers)

n₀ = sample size to be adjusted

The total sample required is thus **59**.

By factoring in the contingency sample of 10% to account the possibility of missing or doubtful values the total sample target would come to **66**.

Hence **66** grantee hotels will be randomly selected, thus expecting to reach a sample size of **59 hotels**.

Distribution of Sample across Hotel Classes:

The grants program benefited a total of 239 hotels across different areas of Swat. These hotels were divided into different classes based on their size. The sample target of 66 hotels will be proportionally distributed on these hotel classes as shown in the following table

Table 1: Class wise distribution of Grantee Hotels and Sample Target for Hotel Survey						
S.No	Locations	Tourist Class	1-Star	2-Star	3-Star	Total
1	Bahrain	4	12	7	3	26
2	Fizaghat	1	11	6	2	20
3	Madyan	8	5	2	0	15
4	MalamJabba	7	8	1	1	17
5	Miandam	1	4	1	2	8
6	Mingora	14	23	9	5	51
7	Kalam	21	42	24	15	102
Total		56	105	50	28	239
Proportion of Hotels for each Class		23%	44%	21%	12%	100%
Proportional distribution of sample		15	29	15	8	66

Study Instrument:

A pre-coded questionnaire will be administered for the assessment. This USAID Firms Project team has developed the questionnaire for the hotel survey.

6.2 Fish Farm Survey:

The study will target all fish farms who have received grants from the project.

S. No	Locations	Number
1	Madyan	11
2	Bahrain	1
3	Matta	2
4	Miandam	1
5	MalamJabba	1
6	Kalam	6
Total		22

Study Instrument:

A pre-coded questionnaire will be administered for the assessment. This USAID Firms Project team has developed the questionnaire for the hotel survey.

7. Details of Specific Tasks:

The successful contractor (assessment team) will conduct an impact assessment including study design and plan for data analysis, data collection instruments, time frame and work plan. The assessment team will perform the following specific tasks:

- i. Develop/finalize the assessment protocols including detailed data collection instruments, time frame, work plan and detailed analysis plan
- ii. Develop/finalize a set of individually administered assessments targeting beneficiaries as defined by the study design in close collaboration with the USAID Firms Project M&E and technical assistance teams
- iii. Collaborate with USAID Firms Project M&E and technical assistance teams to design assessment methodology and quantitative study instruments for the collection of information related to this assessment
- iv. Seek approval from USAID Firms Project M&E Advisor/Team Lead on assessment design, methodology, time frame and any instruments to be used during the study
- v. Collect GPS coordinates for each hotel and fish farm visited
- vi. Where possible and required, coordinate with relevant government and local government representatives and other relevant organizations for the smooth implementation of the assessment
- vii. As per the USAID Firms Project guidelines, design and facilitate a workshop (or series of workshops) to train enumerators, supervisors and other members of assessment team to carry out data collection associated tasks
- viii. Directly supervise the enumerators, field supervisors, field editors and other members of the field teams
- ix. Conduct pilot testing of data collection instruments and, where necessary, work with the USAID Firms Project M&E and technical assistance teams to make minor modifications to the impact study instruments based on the results of pilot testing, if required
- x. Conduct a mock assessment as part of the training of the assessment team
- xi. Supervise implementation of the impact study in target areas in accordance with the approved design
- xii. As part of the supervision process, conduct spot quality-assurance checks to ensure adequate performance of enumerators involved in data collection as per the guidelines/checklist provided by the USAID Firms Project
- xiii. Conduct key informant interviews and/or focus group discussions with key stakeholders of the hotels and fisheries sector to document their views on the contribution of the grants program in the rehabilitation/recovery of these sectors

- xiv. Develop an analysis plan and seek USAID Firms Project approval
- xv. Develop appropriate entry program in MS Access and any other relevant software (NOT EXCEL) for data entry and perform random checks to ensure the quality of the entered data
- xvi. Before the data analysis, perform data cleaning on the entered data to ensure that data is clean of any entry errors and reflects the data gathered through questionnaires
- xvii. Undertake a detailed analysis of the data collected in SPSS or other relevant software (NOT EXCEL) and provide descriptive statistics for all variables and inferential statistics for planned comparisons included in the data analysis plan
- xviii. Compare the sales, production and employment figures with the baseline data (to be provided by the USAID Firms Project) to measure the change as a result of the grants program
- xix. Produce a statistical report of the above (with sufficient narrative content to facilitate understanding and utilization by those with limited statistical background) and provide a draft to USAID Firms Project for review and comment
- xx. Conduct any supplemental analysis based on feedback from USAID Firms Project and include results in the final report
- xxi. Work closely with USAID Firms Project focal point and M&E team in Lahore throughout the contract period
- xxii. Adhere to all relevant policies and procedures of the USAID Firms Project
- xxiii. Adhere to ethical guidelines as outlined in Section 9 below.

8. Deliverables:

The following are considered to be the key deliverables for this assignment:

Assessment protocols, data collection instruments, training and data collection plan, data entry software, analysis plan, presentation of findings to the USAID Firms Project's management and the assessment report are the main deliverables that would be required as per the following schedule:

1. Submit study protocols to USAID Firms Project for approval within three days of signing the contract.
2. Submit a detailed analysis plan within five calendar days of the start of the field work to USAID Firms Project for approval
3. Submit soft copy of the data entry program within five calendar days of the start of the field work to USAID Firms Project for approval
4. Regularly provide brief written updates on the study process⁶
5. Present the preliminary findings in M.S. Power Point presentation form in English to the USAID Firms Project management and relevant staff within seven calendar days of the completion of the field work
6. Submit the draft report in English as per the format provided by USAID Firms Project within seven calendar days of presenting the preliminary findings. The report will be a combined report with different sections for the hotels and fish farms
7. Submit final Study Report and case studies as per the format provided in English within three calendar days after receiving feedback from the USAID Firms Project on the draft report
8. Submit data set on SPSS or any analysis software used including programmed syntaxes, a final copy of the entry program and soft copies of the information collected from the field used for data analysis

⁶These may be short electronic updates. Format and frequency will be negotiated later with the successful contractor

9. Submit properly filed/archived hard copies of filled-in questionnaires, transcribed interviews/focus group discussions, photographs and any other instrument(s) /data collection tool(s) used during the assessment.

9. **Ethical Guidelines:**

It is expected that the successful contractor will adhere to ethical guidelines as outlined in the American Evaluation Association's Guiding Principles for Evaluators. A summary of these guidelines is provided below and a more detailed description can be found at www.eval.org/Publications/GuidingPrinciplesPrintable.asp.

- 1) **Informed Consent:** All participants are expected to provide informed consent following standard and pre-agreed upon consent protocols.
- 2) **Systematic Inquiry:** Assessment team conducts systematic, data-based inquiries.
- 3) **Competence:** Assessment team provides competent performance to stakeholders.
- 4) **Integrity/Honesty:** Assessment team displays honesty and integrity in their own behavior and attempts to ensure the honesty and integrity of the entire assessment process.
- 5) **Respect for People:** Assessment team respects the security, dignity and self-worth of respondents, program participants, clients, and other stakeholders. It is expected that the assessment team will obtain the informed consent of participants to ensure that they can decide in a conscious, deliberate way whether they want to participate.
- 6) **Responsibilities for General and Public Welfare:** Assessment team articulates and takes into account the diversity of general and public interests and values that may be related to the assessment.

10. **Management and Team Composition:**

Team Leader: One (1) will be required for at least 20 days. She/he will be responsible for overseeing the entire data collection and analysis. The team leader will be the point of contact for obtaining feedback on the progress of the assessment. It is the duty of the team leader to ensure that the timelines are followed and any challenges are reported. She /he will also present the preliminary and final findings of the assessment.

Team Leader must meet the following qualification and experience requirements:

1. Minimum Education: Master's degree in Social Sciences or related research discipline.
2. Minimum Experience: At least five years of experience in business/economic growth and/or development sector, preferably with USAID
3. Excellent understanding of the impact studies, qualitative and quantitative research methods.
4. Excellent training and facilitation skills with experience in using different research techniques such as questionnaire administration and conducting focus group discussions (FGDs).
5. Must possess good communication and interpersonal skills.
6. Available to verify data at any time needed, including morning, afternoon and evening.
7. Willing to be deployed in all locations of Swat region.
8. Must have an excellent command in written and spoken English.

Economist/Business Analyst (for technical support and report writing): One (1) will be required for at least 12 days. She/he will be responsible for providing technical knowledge and writing the draft for assessment findings.

The Economist/Business Analyst must meet the following qualification and experience requirements:

1. Minimum Education: MBA or Masters in Economics or related social sciences discipline.
2. Minimum Experience: At least five years of experience in carrying out benchmarking exercises for grants program preferably for economic research in tourism and fisheries sectors
3. Good understanding of quantitative and qualitative research methods

4. Must be willing to work in partnership with the assessment manager/team lead and the data analyst to ensure sound technical direction for the assessment results
5. Proven recent experience with managing business and economic activities in post-conflict and natural disaster contexts
6. Fluency in English language
7. Proven communications and reporting skills

Data Analyst: One (1) will be required for at least 10 days. The data analyst will be responsible for accurate data analysis.

Data Analyst must meet the following qualification and experience requirements:

1. Minimum Education: Master's in Statistics.
2. Minimum Experience: At least four years of data analysis experience in analyzing and interpreting data.
3. Excellent understanding of qualitative and quantitative research methods.
4. The personnel should follow a methodical and logical approach in order to examine the findings of the data collection exercise.
5. Expert/Professional level skills in database such as SPSS or other relevant data analysis applications.

Supervisor: Two (2) will be required for at least 10 days. They will be responsible for overseeing the collection and verification of data. The supervisors will perform spot checks on random days and times during the six days of the data collection phase.

The supervisors must meet the following qualification and experience requirements:

1. Minimum Education: Bachelor's in research oriented social science related social sciences discipline;
2. Minimum Experience: At least two years of experience in overseeing surveys or field research studies;
3. Experience implementing assessment plans;
4. Experience in research techniques such as questionnaire administration and conducting focus group discussions (FGDs).
5. Good understanding of research methods.
6. Must possess good communication and interpersonal skills;
7. Available to verify data at any time needed, including morning, afternoon and evening
8. Willing to be deployed in all locations of Swat region
9. Must be able to speak Pashto, Urdu and understand English

Enumerators: Four (4) will be required for at least 10 days. Each enumerator should preferably be from Swat/Malakand or KP. They will be responsible for accurate data collection, photography and supporting documents.

Enumerators must meet the following qualification and experience requirements:

1. Minimum Education: Bachelor's in Business Administration, Economics or other relevant discipline
2. 2 Minimum Experience: At least two years of data collection experience in research techniques such as questionnaire administration
And experience in research techniques such as questionnaire administration and conducting focus group discussions (FGDs).
3. 3 Good understanding of research methods
4. Must possess good communication and interpersonal skills
5. Available to collect data at any time needed, including morning, afternoon and evening
6. Willing to be deployed in all districts of Swat and Malakand region
7. Must be able to speak Pashto, Urdu and understand English

Data Entry Operators: Four will be required for at least three days. Each data entry operator will be responsible for entering accurate data into the database provided.

Data Entry Operators must meet the following qualification and experience requirements:

1. Minimum Education: College graduation
2. Minimum Experience: At least one year of data entry experience in any database
3. Good understanding of research techniques
4. Must possess good communication and interpersonal skills
5. Must be able to read and write in English and Urdu

The level of effort (LOE) of this activity will be as follows:

	Consultant	No. of days per individual	Description of tasks	Total LOE per individual (days)
1	Team lead (1)	1	Background reading	17
		1	Develop study protocols (data collection instrument(s))	
		1	Provide training and orientation to the study team	
		10	Supervise data collection and conduct key informant interviews and/or focus group discussion (including 2 travel days and 1 contingency day)	
		1	Give presentation on the preliminary findings of the data collection	
		3	Contribute to report writing and review	
2	Economist (1)	1	Background reading	15
		1	Develop study protocols (data collection instrument(s))	
		1	Provide training and orientation to the study team	
		1	Give presentation on the preliminary findings of the data collection	
		8	Report writing	
		3	Improve draft and finalize report	
3	Data Analyst (1)	10	Data analysis and cleaning	10
4	Supervisor (2)	1	Attend training and orientation	10
		9	Data collection (including 2 travel days and 1 contingency day)	
5	Enumerator (8)	1	Attend training and orientation	10
		9	Data collection (including 2 travel days and 1 contingency day)	
6	Data Entry Operator (4)	3	Data entry	3

11. Duration of the Study and Time Line⁷:

The consultancy is expected to commence on October 1, 2012 and is expected to be completed by the October 31, 2012. The following table gives an idea of the major deadlines of the assignment:

⁷Assessment schedule is flexible to some extent and will be finalized in coordination with the successful contractor.

Level of Effort

Tasks	# Days
Review of documents and preparation of training	02 days
Developing Study Instrument	01 day
Training of Enumerator and Mock Assessment	01 day
Field Work (including travel)	10 Days
Data Entry	03 days
Data Analysis	10 days
Preparation for Presentation of Preliminary Results and Presentation	01 day
First Draft report	08 days
Incorporation of the Chemonics feedback to prepare the presentation and final report	03 days

12. Reporting Line:

It is the responsibility of the selected contractor to appoint one point of contact for maintaining communication with the USAID Firms Project. It is the duty of the team leader and/or the assessment manager to report to the M&E team lead, Shahzad Tahir or his designated staff.

13. Brief Outline of the Impact Assessment Report

Title Page

Table of Content

List of Acronyms

Executive Summary:

- A self-contained paper of 1-4 pages that summarize essential information on the subject being studied, the purpose and objectives of the assessment, methods applied and major limitations, the most important findings, conclusions and recommendations in priority order.

Introduction:

- Describe the project/program/theme being assessed. This includes the production, sales and employment.
- Summarize the assessment purpose, objectives and key questions. Explain the rationale for selection/non-selection of assessment criteria.
- Describe the methodology employed to conduct the impact assessment and its limitations, if any.
- Detail who was involved in conducting the study and what their roles were.
- Describe the structure of the assessment report.

Findings and Conclusions

- Presentation of findings and conclusions will be based on the Assessment Objectives and Purpose (above) as well as a format best suited to the actual findings.
- State findings based on the evidence derived from the information collected.
- Conclusions should be substantiated by the findings and be consistent with the data collected.
- They must relate to the assessment objectives and provide answers to the assessment questions. They should also include a discussion of the factors contributing to program outcomes, including both enabling factors and constraints.

Recommendations

- Formulate relevant, specific and realistic recommendations that are based on the evidence gathered, conclusions made and lessons learned. Discuss their anticipated implications. Consult key stakeholders when developing the recommendations.
- List proposals for action to be taken (short and long-term) by the person(s), unit or organization (e.g. Government, etc) responsible for follow-up in priority order.

Annexes

- *Attach SoW (for the impact assessment).*
- *List persons interviewed, sites visited.*
- *List documents reviewed (reports, records, receipts, publications, etc).*
- *Attach data collection instruments (e.g. copies of questionnaires, receipts, records etc).*

References

- *Provide all reference in APA Style*

Detailed style guide and outline of the report will be provided to the successful bidder before the reports writing starts

14. Background Reading Material

1. Grants program documents;
2. Baseline/census reports of the grants program;
3. Quarterly and annual reports of the USAID Firms Project;
4. Economic benefit analysis of the hotels and fisheries conducted by the USAID Firms Project

15. USAID Sample Case Study



USAID | HONDURAS

CASE STUDY Providing Ecological Livelihoods

**USAID volunteers
promote environmentally
friendly approach
to sugar processing**



Farmer to Farmer volunteer Dan Baker works with Golden Aguilar and Peter Purinton inside the molienda in Taulabe.

CHALLENGE In the Taulabe, Comayagua region of Honduras, small sugar processors make a product called rapadura—a hard brown sugar that is sold in the local market. Traditionally, sugar cane processors had burned firewood as their primary source of fuel—however, firewood was becoming increasingly scarce. Processors shifted to the burning of old tires for fuel, causing environmental pollution, a low-quality product, and serious health hazards to those who tend the fires and in nearby communities.

INITIATIVE USAID's Farmer to Farmer program, working with Partners of the Americas, linked Vermont maple sugar makers with the Honduran sugar processors to find an appropriate technical solution to a serious local problem. The Honduras Ecological Sugar Project aims to improve sugar processing methods, reduce contaminants, eliminate the need to use tires as fuel, and improve the quality of the final product in an environmentally sustainable way. Moreover, the project transfers marketing concepts and techniques for increasing the return on sugar, while diversifying into value-added sugar products.

Through an innovative adaptation of maple sugar technology, Farmer to Farmer volunteers from Vermont constructed an improved evaporator that replaces the flat-bottom pans with a more efficient flue pan. This new technology uses sugar cane fiber as fuel. Since this is the organic waste from the plant itself, it helps improve processing in an environmentally sustainable way. Product quality was also improved by reducing the introduction of contaminants through simple technologies that protected cane juice from press lubricants. Between the flue pan and an improved quality of the cane juice, a high-quality sugar cane product was produced without the need to burn tires.

RESULTS Significant progress has been made for small-scale sugar producers and the community in Taulabe. There is a decreased demand for scarce firewood and a dramatic reduction in the number of rubber tires being burned for sugar processing. More efficient and cost-effective sugar production methods and improving business practices have made the small producers more competitive in local markets. Other economic impacts include the identification of niche markets for ecologically produced sugar and the production of value-added products such as granulated sugar, cane syrup, and hard candy, allowing for diversification and broader market exposure. The community at large has greatly benefited since the municipality of Taulabe approved an ordinance banning tire burning, as evidence of the new system's economic viability continues to grow.

Annex 2: Hotel Questionnaire

Questionnaire Number (For official use only)

USAID Firms Project
Impact Assessment of the Grants Program
Hotels Questionnaire (updated on Nov 09 2012)

Introduction:

Good Day/Morning/Afternoon! My name is _____. I/We come on behalf of the USAID Firms Project. We are carrying out an impact assessment of the partner hotels in Swat district with the objective to assess their sales and employment. The focus of this assessment is to measure the contributions of the project in the recovery of business and tourism.

You, being an owner/representative of a hotel, were chosen for this interview based on your participation in the program through the respective grants program.

All the answers are confidential. Your participation and the information you share with us will not affect your relationship with your community or the Firms Project because whatever you are saying as a person will not be shared with others. Your name will not be quoted in the report. Your answers will not be judged as either right or wrong.

We are very grateful for your sincere and honest answers.

Start the Interview: _____ (See your watch and enter)

Result of Interview:

(to be completed at end)

Completed..... 1

Partly completed..... 2

Refused..... 3

	Questionnaire ID	Response
ID1	Hotel Name: <small>ہوٹل کا نام:</small>	
ID2	Hotel ID:	
ID3	Interview date: (DD/MM/YYYY) <small>تاریخ:</small>	
ID4	Name of the Enumerator (who administered the questionnaire): <small>انٹرویو لینے والے کا نام:</small>	

ID5	Checked by: <small>چیک کرنے والے کا نام:</small> Name of Enumerator: Date (DD/MM/YY)	
ID6	Checked by: <small>سپر وائزر کا نام:</small> Name of Supervisor: Date (DD/MM/YY) <small>تاریخ:</small>	

ID7	Checked by: Name of the Data Entry Manager : <i>(check questionnaire for completeness and assign sequential ID on top of this page data entry)</i>	
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Q#	Questions & Instructions	Responses											
A - Personal Information													
A1	Respondent's Name جواب دینے والے کا نام:												
A2	Respondent's Gender جواب دینے والے کی جنس:												
A3	Respondent's Father's Name جواب دینے والے کی ولدیت:												
A4	Respondent's CNIC # جواب دینے والے کا شناختی کارڈ نمبر:												
A5	Respondent's Phone / Cell Number جواب دینے والے کا فون نمبر:												
A6	Respondent's Email (if any)												
Q#	Questions & Instruction	Responses	Skip										
B –Expansion of Business													
B1	Status of hotel ownership ہوٹل کی ملکیت	Self Managed..... 1 Leased 2											
B2	In addition to the USAID grant, did you invest money from your own pocket to expand the existing business or any allied business since the floods of 2010? (For example this money may include personal savings, loan from any money lender / bank or profit from the existing business? 2010 کے سیلاب سے اب تک کیا آپ نے اپنے کاروبار کی توسیع کے لئے یو ایس ایڈ کے مالی تعاون کے علاوہ اپنی جیب سے بھی خرچ کیا ہے؟	Yes 1 No 2	If no then go to B5										
B3	How did you invest? (multiple answers possible) آپ نے اپنے پیسے کیسے استعمال کیے؟	New Rooms 1 Multi-Purpose Hall..... 2 Restaurant 3 Bought New Equipment/Furniture 4 Opened a general store/ tuck shop 5 Car Rentals..... 6 Builtnew shop / house and rented it out..... 7 Out-door events (catering etc.)..... 8 Park/play ground..... 9 Protection wall 10 Imported Fish Feed 11 Started fish breeding / hatchery..... 12 New fish pond 13 Other (specify).....											
B4	Other than the USAID grant, how much money did you invest? یو ایس ایڈ کے مالی تعاون کے علاوہ آپ نے کتنے پیسے خرچ کیے؟	PKR											
B5	Other than the USAID grant, did you receive any assistance (such as equipment, training, grants, etc) from other sources (such as NGOs, Govt., PTDC, International Donors, etc) since the floods of 2010? یو ایس ایڈ کے مالی تعاون کے علاوہ کیا آپ نے کسی اور سے مالی امداد لی؟	Yes 1 No 2	If no then go to C1										
B6	Please provide detail and the source of assistance? (multiple answers possible) برائے مہربانی اس امداد کی تفصیل بتائیں؟	<table border="1"> <thead> <tr> <th>Type of Assistance</th><th>Source of Assistance</th></tr> </thead> <tbody> <tr> <td>Cash Grant PKR:.....</td><td></td></tr> <tr> <td>In Kind assistance:.....</td><td></td></tr> <tr> <td>Training:.....</td><td></td></tr> <tr> <td>Other (Specify):.....</td><td></td></tr> </tbody> </table>	Type of Assistance	Source of Assistance	Cash Grant PKR:.....		In Kind assistance:.....		Training:.....		Other (Specify):.....		
Type of Assistance	Source of Assistance												
Cash Grant PKR:.....													
In Kind assistance:.....													
Training:.....													
Other (Specify):.....													

		Other (Specify): _____				
		Other (Specify): _____				
Q#	Questions & Instruction	Responses			Skip	
C: Sales from hotel and other allied businesses						
C1	Do you maintain hotel records? کیا آپ ہوٹل کا ریکارڈ رکھتے ہیں؟	Yes 1 No 2			If no then go to C3	
C2	If yes, mention which record/s, do you maintain. اگر ہاں تو تفصیل بتائیں؟ (multiple answers possible)	Financial Records 1 Room occupancy 2 Employment Records 3 Other (Specify)				
C3	Can you please share the details of the room types and daily rate that you charged from Jan-Dec 2012? برائے مہربانی ہوٹل کے کمروں کی اقسام اور ان کا ایک دن کا کرایہ بتائیں؟	Room Type	# of Rooms	# in Peak Season (15 May - 30 Sept.)	in Low Season (1 Oct -15 Nov & 16 Mar-14 May)	# in Off Season (16 Nov - 15 Mar)
C4	What was the total annual payroll for employees of your businesses (including wages, commission, salaries and benefits) form Jan-Nov 2012? جنوری سے نومبر 2012 تک آپ کے اس کاروبار میں ملازمین کی سالانہ تنخواہوں (بشمول دیڑھی، کمیشن اور دیگر فوائد) کی مد میں کل اخراجات کیا ہیں؟	PKR: _____				
C5	Excluding payroll, what were the total operating expenses for your business from Jan-Nov 2012? This may include utilities, minor repairs and maintenance, rent, commission, food and groceries etc. جنوری سے نومبر 2012 تک تنخواہوں کے علاوہ آپ کے اس کاروبار کے روزمرہ اخراجات کیا ہیں؟	PKR: _____				
C6	What was the total sales' revenue for your hotel form Jan-Nov 2012? (note that this is not income or profit) جنوری سے نومبر 2012 تک آپ کے اس ہوٹل کی کل آمدن کتنی ہے؟	PKR: _____				
C7	What is the estimated number of guests visited at your hotel from Jan-Nov 2012? جنوری سے نومبر 2012 تک آپ کے اس ہوٹل میں کتنے مہمان آئے ہیں؟	# of Guests: _____				

Q#	Questions & Instruction	Responses		Skip
	D: Full Time Equivalent (FTE) Employment			
		Full-time employees	Part-time / Temporary employees	

D1	How many workers you employed in your business from Jan-Nov 2012 جنوری سے نومبر 2012 تک اس کاروبار میں آپ نے کتنے ملازمین رکھے ہیں؟	Male: _____	Male: _____	
		Female: _____	Female: _____	
D2	For how many days they were employed in this period? اس مدت میں ان ملازمین نے کتنے دن کام کیا؟	Male: _____	Male: _____	
		Female: _____	Female: _____	
D3	What are the average working hours per day for these employees? ان ملازمین نے روزانہ اوسط کتنے گھنٹے کام کیا؟	Male: _____	Male: _____	
		Female: _____	Female: _____	

Q#	Questions & Instruction	Responses	
E: Media Campaign and General Feedback on USAID Assistance			
E1	What message you would convey to the people to attract tourism in Swat Valley? (Multiple answers possible) وادی سوات کی سیاحت کے فروغ کے لیے آپ لوگوں کو کیا پیغام دیں گے؟	Peace is back1 Hotels are operational.....2 Utilities / facilities are operational3 Other (Specify)4 Other (Specify) Other (Specify)	
E2	Please give your views on how USAID Firms project has helped you in your recovery and how the grant has benefited you? (Record quotations preferably in video or audio format) آپ کے خیال میں یو ایس ایڈ کے پراجیکٹ میں آپ کے کاروبار کی بحالی میں کتنی مدد کی ہے اور اس سے آپ کو کیا فائدہ حاصل ہوا؟		
E3	Are you satisfied with the assistance you received from the USAID Firms Project? کیا آپ یو ایس ایڈ کے تعاون سے مطمئن ہیں؟	Not satisfied1 Satisfied2 Very satisfied3	If satisfied or very satisfied end the interview.
E4	If not satisfied then please explain why? اگر نہیں تو برائے مہربانی وجہ بتائیں؟ (Multiple responses possible)	Grants were not enough1 Did not receive all of the installments2 Project duration was too short / not enough3 Quality of the in-kind items were not good4 Did not receive grants/support on time.....5 Other Specify: _____	

End the Interview: _____ (See your watch and enter)

Remarks: Thank you for cooperating with me towards providing and sharing information. I will keep and respect the confidentiality of your responses. But let me ask you if you have any questions to ask me before the conclusion.

General Feedback from the Interviewer:: _____

Annex 3: Fish Farm Questionnaire

Questionnaire Number (For official use only)

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**USAID Firms Project–
Impact Assessment of the Grants Program
Fisheries Questionnaire (updated on Nov 09 2012)**

Introduction:

Good Day/Morning/Afternoon! My name is _____. I/We come on behalf of the USAID Firms Project. We are carrying out an impact assessment of the partner fish farms in Swat district with the objective to assess their sales, production and employment. The focus of this assessment is to measure the contributions of the project in the recovery of business and tourism.

You, being an owner/representative of a fish farm, were chosen for this interview based on your participation in the program through the respective grants program.

All the answers are confidential. Your participation and the information you share with us will not affect your relationship with your community or the Firms Project because whatever you are saying as a person will not be shared with others. Your name will not be quoted in the report. Your answers will not be judged either right or wrong.

We are very grateful for your sincere and honest answers.

Start the Interview: _____ (See your watch and enter)

Result of Interview:

(to be completed at end)

Completed.....1

Partly completed.....2

Refused.....3

	Questionnaire ID	Response
ID8	Fish Farm Name: _____ فیش فارم کا نام:	
ID9	Fish Farm ID: _____	
ID10	Interview date: (DD/MM/YYYY) _____ تاریخ:	
ID11	Name of the Enumerator (who administered the questionnaire): _____	

ID12	Checked by: _____ چیک کرنے والے کا نام: Name of Enumerator: _____ Date (DD/MM/YY) _____	_____ _____ _____
ID13	Checked by: _____ سپروائزر کا نام: Name of Supervisor: _____ Date (DD/MM/YY) _____ تاریخ:	_____ _____ _____

ID14	Checked by: _____ Name of the Data Entry Manager : _____ (check questionnaire for completeness and assign sequential ID on top of this page data entry)	_____ _____
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Q#	Questions & Instruction	Responses									
A - Personal Information											
A7	Respondent's Name	جواب دینے والے کا نام:									
A8	Respondent's Gender	جواب دینے والے کی جنس:									
A9	Respondent's Father's Name	جواب دینے والے کی ولدیت:									
A10	Respondent's CNIC #	جواب دینے والے کا شناختی کارڈ نمبر:									
A11	Respondent's Phone / Cell Number	جواب دینے والے کا فون نمبر:									
A12	Respondent's Email (if any)										
Q#	Questions & Instruction	Responses	Skip								
B –Expansion of Business											
B7	Status of fish farm ownership? فش فارم کی ملکیت کی نوعیت؟	Self Managed 1 Leased 2									
B8	In addition to the USAID grant, did you invest money from your own pocket to expand the existing business or any allied business since the floods of 2010? (For example this money may include personal savings, loan from any money lender / bank or profit from the existing business? 2010 کے سیلاب سے اب تک کیا آپ نے اپنے کاروبار کی توسیع کے لئے یو ایس ایڈ کے مالی تعاون کے علاوہ اپنی جیب سے بھی خرچ کیا ہے؟	Yes 1 No 2	If no then go to B5								
B9	How did you invest? <i>multiple answers possible)</i> آپ نے اپنے پیسے کیسے استعمال کیے؟	New Rooms 1 Multi-Purpose Hall..... 2 Restaurant 3 Bought New Equipment/Furniture..... 4 Opened a general store/ tuck shop..... 5 Car Rentals..... 6 Builtnew shop / house and rented it out..... 7 Out-door events (catering etc.)..... 8 Park/play ground 9 Protection wall..... 10 Imported Fish Feed 11 Started fish breeding / hatchery..... 12 New fish pond 13 Other (specify).....									
B10	Other than the USAID grant, how much money did you invest? یو ایس ایڈ کے مالی تعاون کے علاوہ آپ نے کتنے پیسے خرچ کیے؟	PKR _____									
B11	Other than the USAID grant, did you receive any assistance (such as equipment, training, grants, etc) from other sources (such as NGOs, Govt., PTDC, International Donors, etc) since the floods of 2010? یو ایس ایڈ کے مالی تعاون کے علاوہ کیا آپ نے کسی اور سے مالی امداد لی؟	Yes 1 No 2	If no then go to C1								
B12	Please provide detail and the source of assistance? <i>multiple answers possible)</i> برائے مہربانی اس امداد کی تفصیل بتائیں؟	<table border="1"> <thead> <tr> <th>Type of Assistance</th><th>Source of Assistance</th></tr> </thead> <tbody> <tr> <td>Cash Grant PKR: _____</td><td></td></tr> <tr> <td>In Kind assistance: _____</td><td></td></tr> <tr> <td>Training: _____</td><td></td></tr> </tbody> </table>	Type of Assistance	Source of Assistance	Cash Grant PKR: _____		In Kind assistance: _____		Training: _____		
Type of Assistance	Source of Assistance										
Cash Grant PKR: _____											
In Kind assistance: _____											
Training: _____											

		Other (Specify):_____		
		Other (Specify):_____		

Q#	Questions & Instruction	Responses																																				
C: Sales from Fish farm and other allied businesses																																						
C8	Do you maintain Fish Farm records? کیا آپ فش فارم کا ریکارڈ رکھتے ہیں؟	Yes.....1 No2	If no then go to C3																																			
C9	If yes, mention which record/s, do you maintain. اگر ہاں تو تفصیل بتائیں؟ (multiple answers possible)	Financial Records.....1 Room occupancy2 Employment Records3 Other (Specify)																																				
C10	What was the total annual payroll for employees of your businesses (including wages, commission, salaries and benefits) from Jan-Nov 2012? جنوری سے نومبر 2012 تک آپ کے اس کاروبار میں ملازمین کی سالانہ تنخواہوں (بشمول دہائی، کمیشن اور دیگر فوائد) کی مد میں کل اخراجات کیا ہیں؟	PKR:_____																																				
C11	Excluding payroll, what were the total operating expenses for your business from Jan-Nov 2012? This may include utilities, minor repairs and maintenance, rent, commission, food and groceries etc. جنوری سے نومبر 2012 تک تنخواہوں کے علاوہ آپ کے اس کاروبار کے روزمرہ اخراجات کیا ہیں؟	PKR:_____																																				
C12	Please provide us the details of the production of different types of fish and other related products that you sold from Jan-Nov 2012? (note that this is not income or profit) برائے مہربانی جنوری سے نومبر 2012 میں اپنے فش فارم کی پیداوار اور فروخت کی گئی اشیاء کی تفصیل بتائیں؟	<table border="1"> <thead> <tr> <th>Type of Product</th><th>Quantity</th><th>Unit</th><th>Available Stock</th></tr> </thead> <tbody> <tr><td>Market Size Fish</td><td></td><td></td><td></td></tr> <tr><td>Fingerlings</td><td></td><td></td><td></td></tr> <tr><td>Brooder Fish</td><td></td><td></td><td></td></tr> <tr><td>Eggs</td><td></td><td></td><td></td></tr> <tr><td>Other inputs i.e. feed, nets, medicine etc.</td><td></td><td></td><td>NA</td></tr> <tr><td>Other allied business; tuck shop, restaurants, hotel, rentals etc.</td><td></td><td></td><td>NA</td></tr> </tbody> </table>	Type of Product	Quantity	Unit	Available Stock	Market Size Fish				Fingerlings				Brooder Fish				Eggs				Other inputs i.e. feed, nets, medicine etc.			NA	Other allied business; tuck shop, restaurants, hotel, rentals etc.			NA								
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Other inputs i.e. feed, nets, medicine etc.			NA																																			
Other allied business; tuck shop, restaurants, hotel, rentals etc.			NA																																			
C13	What was the total sales revenue of your fish farm from Jan-Nov 2012? (note that this is not income or profit) جنوری سے نومبر 2012 تک آپ کے اس فش فارم سے فروخت کی گئی اشیاء سے کل آمدن کی تفصیل بتائیں؟	<table border="1"> <thead> <tr> <th>Type of Product</th><th>Quantity</th><th>Unit</th><th>Rate / Unit</th><th>Total Sales Value (PKR)</th></tr> </thead> <tbody> <tr><td>Market Size Fish</td><td></td><td></td><td></td><td></td></tr> <tr><td>Fingerlings</td><td></td><td></td><td></td><td></td></tr> <tr><td>Brooder Fish</td><td></td><td></td><td></td><td></td></tr> <tr><td>Eggs</td><td></td><td></td><td></td><td></td></tr> <tr><td>Other inputs i.e. feed, nets, medicine etc.</td><td></td><td></td><td></td><td></td></tr> <tr><td>Other allied business; tuck shop, restaurants, hotel, rentals etc.</td><td></td><td></td><td></td><td></td></tr> </tbody> </table>	Type of Product	Quantity	Unit	Rate / Unit	Total Sales Value (PKR)	Market Size Fish					Fingerlings					Brooder Fish					Eggs					Other inputs i.e. feed, nets, medicine etc.					Other allied business; tuck shop, restaurants, hotel, rentals etc.					
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Other allied business; tuck shop, restaurants, hotel, rentals etc.																																						
C14	What is the estimated number of guests that your fish farm from Jan-Nov 2012? جنوری سے نومبر 2012 تک آپ کے اس فش فارم میں کتنے مہمان آئے ہیں؟																																					

Q#	Questions & Instruction	Responses		Skip
	D: Full Time Equivalent (FTE) Employment			
D4	How many workers you employed in your business from Jan-Nov 2012 جنوری سے نومبر 2012 تک اس کاروبار میں آپ نے کتنے ملازمین رکھے ہیں؟	Full-time employees	Part-time / Temporary employees	
		Male: _____	Male: _____	
		Female: _____	Female: _____	
D5	For how many days they were employed in this period? اس مدت میں ان ملازمین نے کتنے دن کام کیا ؟	Male: _____	Male: _____	
		Female: _____	Female: _____	
D6	What are the average working hours per day for these employees? ان ملازمین نے روزانہ اوسط کتنے گھنٹے کام کیا؟	Male: _____	Male: _____	
		Female: _____	Female: _____	

Q#	Questions & Instruction	Responses	Skip
E: Media Campaign and General Feedback on USAID Assistance			
E5	What message you would convey to the people to attract tourism in Swat Valley? (Multiple answers possible) وادی سوات کی سیاحت کے فروغ کے لیے آپ لوگوں کو کیا پیغام دیں گے؟	Peace is back 1 Hotels are operational 2 Utilities / facilities are operational 3 Other (Specify) 4 Other (Specify) Other (Specify) Other (Specify)	
E6	Please give your views on how USAID Firms project has helped you in your recovery and how the grant has benefited you? آپ کے خیال میں یو ایس ایڈ کے پراجیکٹ میں آپ کے کاروبار کی بحالی میں کتنی مدد کی ہے اور اس سے آپ کو کیا فائدہ حاصل ہوا؟ (Record quotations preferably in video or audio format)		
E7	Are you satisfied with the assistance you received from the USAID Firms Project کیا آپ یو ایس ایڈ کے تعاون سے مطمئن ہیں؟	Not satisfied 1 Satisfied 2 Very satisfied 3	If satisfied or very satisfied end the interview.
E8	If not satisfied then please explain why? اگر نہیں تو برائے مہربانی وجہ بتائیں؟ (Multiple responses possible)	Grants were not enough 1 Did not receive all of the installments 2 Project duration was too short / not enough 3 Quality of the in-kind items were not good 4 Did not receive grants/support on time 5 Other Specify: _____	

End the Interview: _____ (See your watch and enter)

Remarks: Thank you for cooperating with me toward providing and sharing information. I will keep and respect the confidentiality of your responses. But let me ask you if you have any questions to ask me before conclusion.

General Feedback from the Interviewer: _____

Annex 4: Case Study / Success Story of the Grants Program

Success Story Reviving Business for Survival

■■■■■ is the owner of ■■■■■ Restaurant located at the bank of River Swat in the Bahrain region of District Swat. His hotel business was badly affected by 2009 militancy and subsequent floods of 2010. Like others, his hotel which was the main source of earning was destroyed. As Murad Badshah stated *"We were not able to restart our businesses because of the long crisis and huge destruction and we were hopeless about our future"*.

Flood damage for the region was estimated at PKR 650 million (USD7.6 million), and countless individuals lost their jobs and homes. To surmount the dismal aftermath of these disasters, USAID launched the Malakand Small and Medium Enterprise (SME) Recovery Assistance Program. Through this program, USAID disbursed over USD 2.8 million to 239 hotels and 22 trout fish farms of Swat, generating employment and income for hundreds of families and stimulating the economy of Swat.

Life was not smooth and like others ■■■■■ was keen to restart his hotel, he spent all his savings to reconstruct and re-establish his business but that was not enough, so he decided to partner with USAID. He expressed that *"In that critical situation USAID Firms Project come to my assistance as the only ray of light"*. USAID provided technical, cash and in kind assistance as per needs identified in the hotel assessment survey.

The USAID support has brought significant change in the income generation and jobs creation by partnering with the Hotel industry in Swat region. Now peace is back and hotel facilities are revived; the influx of tourists has increased to a great extent. As Badshah revealed *"Now more visitors come to our hotel. The support provided by USAID enabled us to re-start our business. My business is flourishing and has sustained; I have given employment to six people and we are making handsome returns"*. His hotel has brought him revenue greater than USD 30,000 in 2012.

He was enthusiastic to further expand his business and is happy to be the owner of his business again. ■■■■■ said *"I am grateful to the USAID for rescuing me and supporting me in earning a decent livelihood for my family with dignity"*.

Annex 5: Transcription of the Selected Video Interviews

██████████
“We are very thankful to the USAID for their support. We were not able to restart our business because of the long crisis and huge destruction. USAID provided us with all the items we needed. We also spent money from our own pockets but it was not sufficient for a decent business. I request all visitors to come to Malam Jabba as the situation is now normal and all facilities are available. I am very happy and satisfied”.

██████████
“Due to terrorism and floods our hotel business completely vanished. In this crucial time USAID supported us to restart our business, without their support it would have taken more than a decade to restore our businesses. Now our business is quite good and we are expanding it. Due to USAID support, our recent tourist season was excellent and after a long time we got handsome returns. I am very much satisfied with the USAID support and am very thankful”.

██████████
“USAID gave me grant in the form of cash and in-kind support. The support provided by USAID brought positive impact on the lives of poor people in the area. Now the hotel industry and tourism have boosted up and we all are benefitting. I would request USAID to provide their support for the reconstruction of main Mingora-Kalam Road which was completely destroyed in the floods. After the construction of this road, our businesses will improve further”.

██████████
“We suffered severely in the conflict and floods. We had no resources to rehabilitate and reconstruct our hotels. In that hard time, USAID supported us by giving cash and in-kind grant and our businesses became functional. We expect that USAID will support us further by installing Solar Energy Systems in our hotels. The USAID grant for hotels created quite a number of jobs in the area. People in the area are very poor and most of them did not have any jobs in the last 3 years, but now they are able to get jobs. In my hotel, 6 people are employed now and they are earning their livelihoods in their local area. We thank USAID for this assistance”.

██████████
“Our hotels business was very good before the arrival of terrorism in the area. Our business suffered as we were forced to migrate to other cities. After that, floods in 2010 completely destroyed our homes, hotels and businesses. That was a very crucial time and we were hopeless about our future. Then different organizations gathered data and promised us assistance but it was only USAID that came forward and helped us in a very good way. I spent from my own resources as well, but USAID’s generous support made it possible to restart our businesses. They supported us in a very respectful way and did not damage our ego. The process was very transparent and they gave us a choice, whatever we wanted for our hotels they provided us at our door-step. Now our hotels are 100% complete and last year our business was very successful due to USAID. We are thankful to USAID for supporting us in an excellent manner”.

██████████
(President Tourism Promotion, District Swat)

“USAID assistance to the hotels had a significant impact on the business and livelihoods of the people in the area. The hotel industry is now fully functional and it became only possible by the

support of USAID assistance. My message is to the tourists to visit this beautiful valley because now the conditions are favorable. We are grateful to USAID for their support”.

“USAID helped us on humanitarian grounds. The grant given by USAID helped us in the revival of our hotel business. The crisis continued for 3 years and we couldn’t do any business and still had expenses to meet. We utilized the USAID grant in reconstruction and furnishing of our hotels. Now our business is revived. Moreover, a three-day training given to us, educated us on hotel management. We are very satisfied and happy with the USAID grant”.

“We are very thankful to USAID for extending their support for the revival of our hotel business. The support provided by USAID enabled us to restart our business. This grant created more job opportunities and now our hotels are self-sustained and we are making handsome returns. Again I am thankful and acknowledge the support provided by USAID”.

“The assistance provided by USAID brought much improvement in our business because it was badly affected by terrorism and flood crisis. USAID gave us new items and guided us to restart and further improve our business. Now more visitors come to our hotel and as this is a seasonal activity and we are getting a good income in summers, hence we are now able to bear off-season expenses as well.. Overall we are quite happy with USAID support”.

“After devastating floods our hotel business was affected and our economic condition was worsened. USAID gave us support to establish our hotel once again. They gave us cash and in-kind support. We are thankful to USAID for helping us out in hard times because in that situation we had no one’s support. With the support of Allah and USAID our hotel business is functioning very well and a number of poor people are getting jobs. We are thankful to USAID”.

“In the long crisis our hotel business was completely shut down and everything was destroyed. Later on, USAID provided us assistance and now we are able to run our business in a smooth manner. Due to USAID’s assistance, hotels in the area have been restored and doing good business. Even small hotels are able to earn at least PKR 200,000 as net profit in a season. It was a great initiative taken by USAID and we are very thankful to them”.

“USAID helped us to a great extent in establishing our fish farm and we are very much satisfied. Our farm was completely washed away and now not only is our business re-established, but a number of people got employment at the fish farms and other restaurants. These trout fish farms attract more tourists to the area. We expect that USAID will further support us in establishing linkages for the marketing of our fish and getting quality feed for the fish. In our plans we will establish a restaurant along with the fish farm”.

“My farm was completely destroyed in the floods and my farm was the main source of income for my family. The loss was great and required a lot of investment which was beyond my resources. Its revival was only possible with the support of USAID. Now, we have no worries and our business is flourishing and again we are owners of our business. I have given employment to five people and there are many other allied businesses that got support from this

intervention. Trout fish farms are a great tourist attraction as well. We are very happy and thank USAID for their support.”.

USAID Firms Project
info@epfirms.com